AUTOMATED SYSTEMS FOR CHILD SUPPORT ENFORCEMENT:

A GUIDE FOR ENHANCING REVIEW AND ADJUSTMENT AUTOMATION

July 2006

U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families
Office of Child Support Enforcement

PREFACE

The Administration for Children and Families (ACF), Office of Child Support Enforcement (OCSE) developed this *Guide for Enhancing Review and Adjustment Automation* to support states in increasing the efficiency of the review and adjustment process in their Child Support Enforcement (CSE) systems.

The audience for this Guide includes state CSE technical, policy, and program operations staff and their contractors, and Federal OCSE technical assistance staff.

Comments were requested and received from states and were incorporated wherever appropriate in this Guide. ACF welcomes additional comments and suggestions from those using this Guide. Comments may be sent to:

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Chapter I: ENHANCING CHILD SUPPORT ENFORCEMENT SYSTEM PERFORMANCE

Chapter I presents information pertaining to a collaborative Federal and state endeavor to enhance the level of automation in state Child Support Enforcement (CSE) systems in general and more specifically discusses the value derived from enhancing review and adjustment automation. Section A describes the Office of Child Support Enforcement (OCSE) Level of Automation Technical Assistance initiative. Section B discusses technical assistance to enhance review and adjustment automation. Section C lists the benefits some states are already realizing from enhanced review and adjustment automation. And section D summarizes review and adjustment legislation as well as important findings from the U.S. Department of Health and Human Services (DHHS), Office of the Inspector General (OIG) Report regarding the review and adjustment business process.

A. Level of Automation Technical Assistance

The Department of Health and Human Services, Administration for Children and Families (ACF) provides national leadership and direction in planning, managing, and coordinating the nationwide administration and financing of a broad range of comprehensive and supportive programs for children and families including Child Support Enforcement.

State and local agencies in large part carry out the Child Support Enforcement program. ACF retains the responsibility to monitor and evaluate programs to ensure that they are being operated as intended by law and regulation and that the expenditure of Federal funds is made in accordance with Federal regulation.

Level of Automation Technical Assistance is an OCSE initiative whose objective is to encourage and support states to enhance the functionality and efficiency of their CSE systems. It serves as a mechanism for OCSE to provide direction and share knowledge among states regarding technically-based strategies for addressing business challenges, tested automated solutions, and promising new technologies. Most importantly, technical assistance seeks to ensure that CSE systems effectively meet business user needs, as defined in the ACF publication *Automated Systems for Child Support Enforcement: A Guide for States* (Revised for PRWORA, April 1999 - updated December 1999 - updated August 2000*).*

Federal OCSE staff work in close collaboration with state child support enforcement technical, policy, and program operations staff and together focus on improving system performance. Technical assistance subject areas are derived from OIG evaluations, CSE conferences, and state input. Regular Federal Financial Participation (FFP) at the 66 percent rate is available for enhancing the level of system automation.

OCSE will provide guidance documents such as this Guide for Enhancing Review and Adjustment Automation to facilitate the technical assistance process. As part of its technical

assistance development process, OCSE may conduct site visits to observe the state system and interview state personnel. OCSE and state personnel will discuss and document their findings and recommendations for further state system automation. Additionally, state personnel will be encouraged to share documentation and lessons learned that OCSE can disseminate to other states.

In the future, OCSE may schedule collaborative sessions with state personnel and use this Guide to consolidate and document knowledge of their CSE system's current level of automation and to identify further opportunities for automation.

B. Technical Assistance for Enhancing Review and Adjustment Automation

Like other case management activities, the review and adjustment process is beneficial to both children and the CSE program. Unfortunately, many of the business process steps are very time intensive and thus "expensive" – in terms of resource use – to routinely perform. Ideally, review and adjustment should be proactively conducted but because of the "cost" states generally operate it as a reactive process, meaning the process isn't initiated by a caseworker but rather a case party or the court.

Through enhanced automation, the cost of review and adjustment -- in terms of caseworker time -- can be dramatically reduced and the state can implement a strategy to proactively ensure that support amounts correspond to the obligor's ability to pay.

Business process steps that require little or no worker discretion are ideal for automated solutions. But steps which call for an examination of case conditions prior to deciding upon a course of action can also potentially be automated by applying the decision or selection criteria involved in the review. Understanding how caseworkers manage their caseloads by discussing process steps and identifying related business requirements provides the best guidance for enhancing the level of automation.

Some states have wisely taken the time to examine the steps involved in the review and adjustment process and enhanced their system to assume oversight for most of the process. Their reward has been to reduce time requirements on the caseworker while increasing[1] support amounts and improving case management productivity.

Automated features that states have implemented to improve their review and adjustment process include:

- querying caseloads using controlled selection criteria to identify candidate cases
- accessing and retrieving data from external databases that provide current financial data

[1] Adjustments can be both upward and downward. In general, the vast majority of adjustments are upward. Most importantly, the adjusted amount better reflects the obligor's ability to pay.

- alerting caseworkers when cases are flagged for review
- managing the maximum number of flagged cases a caseworker can review in a given time period
- generating process-related notices to case parties
- calculating new support amounts
- tracking required process completion time frames

C. Review and Adjustment: Historical Perspective [2]

The 1988 Family Support Act (FSA) mandated that states periodically review and adjust child support orders. The rationale behind review and adjustment was to ensure that child support awards were equitable, sufficient, and commensurate with parents' income. Child support awards are almost always expressed in fixed dollar amounts, and over time the needs of the child and the financial circumstances of both parents may change.

The FSA required periodic review and adjustment of child support orders administered by state child support enforcement agencies. Specifically, state child support agencies had to review and adjust public assistance cases at least every three years; parents from non-public assistance cases could request reviews. Medical support was to be ordered if the non-custodial parent's employer made it available. The Federal government widened the scope of the review and adjustment process in 1993. A child support provision—enacted through the Omnibus Budget Reconciliation Act (OBRA) of 1993—allowed parents to request a review and modification under the state's guidelines at least once every three years without proving a substantial change in circumstances.

Several demonstration projects tested the effects of (non-automated) review and adjustment procedures. In general, the research showed that reviews did not consequentially lead to adjustments, because relatively few cases -- between 4 and 14 percent -- selected for review were ultimately revised. However, when cases were revised, most order adjustments were upward -- between 81 and 92 percent, depending on the study. Across the studies, average awards for public assistance cases (across both upward and downward adjustments) increased from 68% to 102%, while awards for non-public assistance cases increased from 54 percent to 66 percent.

Many states, however, reported difficulty in implementing review and adjustment. Caseworkers had to obtain updated financial information about one or both of the parents and, in many states, also had to explore the families' child care costs, health insurance premiums, and other child related costs. State IV-D directors suggested that the mandate was drawing staff away from paternity establishment and enforcement.

[2] Legislative history of Review and Adjustment taken from the study, AUTOMATED COST-OF-LIVING ADJUSTMENTS OF CHILD SUPPORT ORDERS IN THREE STATES, The Lewin Group, April 2001.

In 1996, Congress—through the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA)—relaxed the Federal requirements for mandatory review and adjustment of child support orders. Under PRWORA, periodic reviews are no longer required. Instead, states must review orders every three years at the request of either parent, or at the request of the state child support agency. States must notify all custodial and non-custodial parents, in both TANF and non-TANF cases, of their right to a review every three years. States can initiate reviews for public assistance cases. States also have the option of adjusting child support orders using the following methods:

- Cost-of-living adjustments (COLA) that alter orders periodically without reviews, or
- An automated method to identify orders eligible for review and to apply the appropriate adjustment to the orders based on a threshold amount established by the state

In 1999, the OIG issued a report regarding how states addressed review and adjustment of support orders subsequent to the 1996 Personal Responsibility and Work Opportunity Reconciliation Act legislation. (See Appendix E References List, "Review and Adjustment of Support Orders," March 1999, OEI-05-98-00100.)

OIG reported that in the 46 states still conducting IV-D initiated reviews, the extent of review initiation and review selection policies varies. Most states use both an automated system and IV-D worker discretion to identify cases for review. Frequently, the system identifies a list of cases for review and the local office or IV-D worker decides whether to conduct the reviews. Furthermore, 48 states require that any proposed adjustment change the existing child support order by a minimum percentage and/or monetary amount before making the adjustment. State percentage thresholds range from 10 percent to 25 percent and dollar thresholds range from a $10 monthly change in the order to a $100 monthly change in the order.

OIG reported that improvements in automated systems, the use of child support guidelines and an increasing reliance on administrative rather than judicial processes have converged to make review and adjustment simpler and less resource intensive for the local IV-D office caseworker. Other significant findings were also reported:

- Thirty-two states discontinued or planned to discontinue the triennial review of public assistance cases. As a result, most child support orders will not be reviewed unless a parent requests the review or a IV-D worker elects to initiate a review.
- OIG expressed concern regarding four implementation issues: notification of parents of the right to request a review, medical support, collection of basic data, and downward adjustments.
- The majority of caseworkers interviewed said that periodic IV-D initiated reviews are worthwhile to conduct.

OIG also made several recommendations to the Office of Child Support Enforcement:

- Remind states that they are required to notify parents every 3 years of their right to request a review of child support orders.
- Urge states to use the review and adjustment process as an opportunity to ensure that medical support is provided.
- Encourage states to collect basic data on the review and adjustment process as well as cost-benefit data including requests for downward modifications.
- Encourage states to review child support orders for families leaving welfare.

Finally, the release of this guide is timely as the recent Deficit Reduction Act of 2005, signed into law on February 8th, 2006, reinstituted a mandatory requirement for review and adjustment of child support orders for families receiving TANF effective October 1, 2007.

Chapter II: AUTOMATION OPTIONS FOR REVIEW AND ADJUSTMENT

State personnel can use the information in this chapter to further automate their review and adjustment process. Section A includes several analysis and design aids for identifying business process and system requirements and options. Section B briefly describes several case studies that detail the efforts of states that have maximized the automation of their review and adjustment process. The full text of the case studies can be found in the Appendix.

A. Business Requirements

The purpose of this section is to 1) identify review and adjustment business and system requirements, and 2) describe the significant steps involved in the process and how states have automated them. The information contained in this section can be used as a primer for program planners and system designers interested in enhancing their current level of automation. More importantly, the analysis and design aids listed below could potentially help to reduce some design costs and risks, and speed up implementation.

Section A includes the following analysis and design aids:

- Social Security Act Section 466(a)(10) - Review and Adjustment of Support Orders Upon Request
- Social Security Act Section 454(12)(B) - A State plan for child and spousal support
- 45 CFR 303.8 regulations – which describe Federal regulatory process requirements
- Automated Systems for Child Support Enforcement: A Guide for States. Objective D5 – which describes Federal functional requirements for review and adjustment
- Review and Adjustment Process Flowchart – which depicts one possible automation enhancement scenario
- Review and Adjustment Automation Comparison – which describes how states that have enhanced their process automated the steps listed in the Review and Adjustment Process Flowchart

Social Security Act Section 466 - Review and Adjustment of Support Orders Upon Request

SEC. 466. *[42 U.S.C. 666]* (a) In order to satisfy section 454(20)(A), each State must have in effect laws requiring the use of the following procedures, consistent with this section and with regulations of the Secretary, to increase the effectiveness of the program which the State administers under this part:

(10) REVIEW AND ADJUSTMENT OF SUPPORT ORDERS UPON REQUEST—

(A) 3-YEAR CYCLE—

(i) IN GENERAL—Procedures under which every 3 years (or such shorter cycle as the State may determine), upon the request of either parent, or, if there is an assignment under part A, upon the request of the State agency under the State plan or of either parent, the State shall with respect to a support order being enforced under this part, taking into account the best interests of the child involved—

(I) review and, if appropriate, adjust the order in accordance with the guidelines established pursuant to section 467(a) if the amount of the child support award under the order differs from the amount that would be awarded in accordance with the guidelines;

(II) apply a cost-of-living adjustment to the order in accordance with a formula developed by the State; or

(III) use automated methods (including automated comparisons with wage or State income tax data) to identify orders eligible for review, conduct the review, identify orders eligible for adjustment, and apply the appropriate adjustment to the orders eligible for adjustment under any threshold that may be established by the State.

(ii) OPPORTUNITY TO REQUEST REVIEW OF ADJUSTMENT—If the State elects to conduct the review under subclause (II) or (III) of clause (i), procedures which permit either party to contest the adjustment, within 30 days after the date of the notice of the adjustment, by making a request for review and, if appropriate, adjustment of the order in accordance with the child support guidelines established pursuant to section 467(a).

(iii) NO PROOF OF CHANGE IN CIRCUMSTANCES NECESSARY IN 3-YEAR CYCLE REVIEW—Procedures which provide that any adjustment under clause (i) shall be made without a requirement for proof or showing of a change in circumstances.

(B) PROOF OF SUBSTANTIAL CHANGE IN CIRCUMSTANCES NECESSARY IN REQUEST FOR REVIEW OUTSIDE 3-YEAR CYCLE—Procedures under which, in the case of a request for a review, and if appropriate, an adjustment outside the 3-year cycle (or such shorter cycle as the State may determine) under clause (i), the State shall review and, if the requesting party demonstrates a substantial change in circumstances, adjust the order in accordance with the guidelines established pursuant to section 467(a).

(C) NOTICE OF RIGHT TO REVIEW—Procedures which require the State to provide notice not less than once every 3 years to the parents subject to the order informing the parents of their right to request the State to review and, if appropriate, adjust the order pursuant to this paragraph. The notice may be included in the order.

Social Security Act Section 454 - A State Plan for Child and Spousal Support

SEC. 454. *[42 U.S.C. 654]* A State plan for child and spousal support must—

(12) provide for the establishment of procedures to require the State to provide individuals who are applying for or receiving services under the State plan, or who are parties to cases in which services are being provided under the State plan—

* * * * *

(B) with a copy of any order establishing or modifying a child support obligation, or (in the case of a petition for modification) a notice of determination that there should be no change in the amount of the child support award, within 14 days after issuance of such order or determination;

Office of Child Support Enforcement Regulations

TITLE 45--PUBLIC WELFARE

CHAPTER III--OFFICE OF CHILD SUPPORT ENFORCEMENT (CHILD SUPPORT ENFORCEMENT PROGRAM), ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES

PART 303--STANDARDS FOR PROGRAM OPERATIONS

§ 303.8 Review and adjustment of child support orders.

(a) Definition. For purposes of this section, *Parent* includes any custodial parent or non-custodial parent (or for purposes of requesting a review, any other person or entity that may have standing to request an adjustment to the child support order).

(b) Required procedures. Pursuant to section 466(a)(10) of the Act, when providing services under this chapter:

(1) The State must have procedures under which, every 3 years (or such shorter cycle as the State may determine), upon the request of either parent, *or, if there is an assignment under part A, upon the request of the State agency under the State plan or of either parent, the State shall* with respect to a support order being enforced under this part, taking into account the best interests of the child involved:

(i) Review and, if appropriate, adjust the order in accordance with the guidelines established pursuant to section 467(a) of the Act if the amount of the child support

award under the order differs from the amount that would be awarded in accordance with the guidelines;

(ii) Apply a cost-of-living adjustment to the order in accordance with a formula developed by the State; or

(iii) Use automated methods (including automated comparisons with wage or State income tax data) to identify orders eligible for review, conduct the review, identify orders eligible for adjustment, and apply the appropriate adjustment to the orders eligible for adjustment under any threshold that may be established by the State.

(2) If the State elects to conduct the review under paragraph (b)(1)(ii) or (iii) of this section, the State must have procedures which permit either party to contest the adjustment, within 30 days after the date of the notice of the adjustment, by making a request for review and, if appropriate, adjustment of the order in accordance with the child support guidelines established pursuant to section 467(a) of the Act.

(3) If the State conducts a guideline review under paragraph (b)(1)(i) of this section:

(i) *Review* means an objective evaluation, conducted through a proceeding before a court, quasi-judicial process, or administrative body or agency, of information necessary for application of the State's guidelines for support to determine:
(A) The appropriate support award amount; and
(B) The need to provide for the child's health care needs in the order through health insurance coverage or other means.

(ii) *Adjustment* applies only to the child support provisions of the order, and means:
(A) An upward or downward change in the amount of child support based upon an application of State guidelines for setting and adjusting child support awards; and/or
(B) Provision for the child's health care needs, through health insurance coverage or other means.

(4) The State must have procedures which provide that any adjustment under paragraph (b)(1)(i) of this section shall be made without a requirement for proof or showing of a change in circumstances.

(5) The State must have procedures under which, in the case of a request for a review, and if appropriate, an adjustment outside the 3-year cycle (or such shorter cycle as the State may determine) under paragraph (b)(1) of this section, the State shall review and, if the requesting party demonstrates a substantial change in circumstances, adjust the order in accordance with the guidelines established pursuant to section 467(a) of the Act.

(6) The State must provide notice not less than once every 3 years to the parents subject to the order informing the parents of their right to request the State to review and, if appropriate, adjust the order consistent with this section. The notice must specify the place and manner in which the request should be made. The initial notice may be included in the order.

(c) Standard for adequate grounds. The State may establish a reasonable quantitative standard based upon either a fixed dollar amount or percentage, or both, as a basis for determining whether an inconsistency between the existent child support award amount and the amount of support determined as a result of a review is adequate grounds for petitioning for adjustment of the order.

(d) Health care needs must be adequate basis. The need to provide for the child's health care needs in the order, through health insurance or other means, must be an adequate basis under State law to initiate an adjustment of an order, regardless of whether an adjustment in the amount of child support is necessary. In no event shall the eligibility for or receipt of Medicaid be considered to meet the need to provide for the child's health care needs in the order.

(e) Timeframes for review and adjustment. Within 180 calendar days of receiving a request for a review or locating the non-requesting parent, whichever occurs later, a State must: Conduct a review of the order and adjust the order or determine that the order should not be adjusted, in accordance with this section.

(f) Interstate review and adjustment. (1) In interstate cases, the State with legal authority to adjust the order must conduct the review and adjust the order pursuant to this section. (2) The applicable laws and procedures for review and adjustment of child support orders, including the State guidelines for setting child support awards, established in accordance with §302.56 of this chapter, are those of the State in which the review and adjustment, or determination that there be no adjustment, takes place.

[68 FR 25303, May 12, 2003, as amended at 69 FR 77661, Dec. 28, 2004]

Automated Systems for Child Support Enforcement: A Guide for States

D-5 OBJECTIVE: The system must automatically support the review and adjustment of support obligations.

Related Program Statutes and Regulations:
42 USC 654 (12)
42 USC 666 (10)
45 CFR 303.8
45 CFR 303.31
45 CFR 307.10(b)(2), (3), (12), & (14)

System Certification Requirements:

a. The system must track the review and adjustment process to ensure that the following timeframes are met:

1. Within 180 calendar days of determining that a review should be conducted or locating the non-requesting parent, whichever occurs later, complete the review and adjustment process; and

2. Within 14 days after issuance of any order modifying a child support obligation or a determination of no change in the amount of child support, the system must:

(a) alert the caseworker to provide each party with a copy of the order, or

(b) in the case of a petition for modification, the system must generate a notice of determination that there should be no change in the amount of the child support award.

b. The system must generate at least once every three years, a notice to each parent of the right to request a review of the order, and the appropriate place and manner in which the request should be made, if such information is not provided to the parent from another source.

c. The system must identify cases in which the order does not include health care coverage.

d. For cases in which either parent requests a review, the system must determine if a review is appropriate based on the age of the order or other criteria selected by the State.

e. The system must refer cases to the locate function, as needed, to locate the parents or the parents' assets.

f. The system must generate all legal documents, forms, and letters necessary to complete the review and adjustment process.

g. The system must record the type of document generated, the addressee, and the date sent, in the automated case record. After sending any document requiring a response, the system must notify the caseworker if such response is significantly delayed, based on State experience, and generate a follow-up information request.

h. The system must:

1. Collect income, asset, employment, and health insurance information through automated interfaces;

2. Provide a means for entry and edit of data received (including the input of manually obtained financial information), both from interfaces and financial affidavits received from other sources;

3. Perform all necessary guideline calculations;

4. Compare guideline calculation against a quantitative standard developed by the State, if any;

5. Provide all information and calculations to the caseworker for determination of whether an adjustment should be pursued; and

6. Generate notices to inform parents of proposed actions and their right to challenge such actions, and generate any document necessary to seek an adjustment or handle an appeal of such action.

i. All information received and actions taken must be recorded in the automated case record. Data elements must indicate the amount of any adjustments, including the addition of health insurance to the order or the reason for no adjustment being pursued.

j. The system must generate a notice to each parent of all proceedings in which support obligations might be modified.

Business Process Design Tools

Site visits were conducted with Alaska, Maine, Minnesota, and Vermont, four states that have implemented enhanced review and adjustment automation features into their CSE system. Three of these states[3] implemented an automated wage data collection and comparison feature. The fourth state, Minnesota, successfully implemented a fully automated Cost-of-Living-Adjustment (COLA) feature.

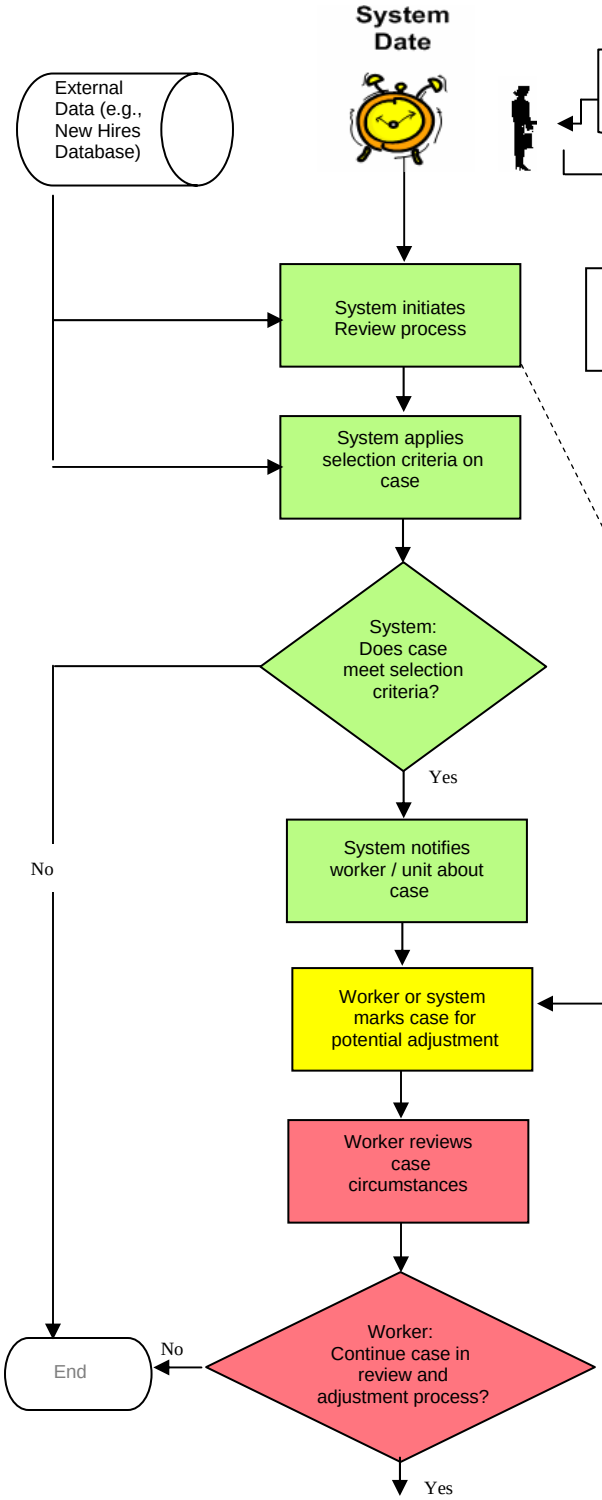
The following two planning aids, the Review and Adjustment Flow Chart and the Review and Adjustment Automation Comparison, have been developed for program and technical managers and staff to refer to during the planning stage.

The Flow Chart identifies one possible automated process scenario. The chart distinguishes among worker-initiated, system-initiated, and dual (worker and system) process steps.

The Comparison chart summarizes the implementation strategy (i.e., worker initiated vs. system initiated) that each state used for each of the significant review and adjustment process steps.

[3] The states are Alaska, Maine, and Vermont. Each utilized 1115 grant money to fund a portion of the enhancement. Contact OCSE Division of State and Tribal Systems for copies of the final reports prepared by each state regarding their enhancement experiences and results.

Review and Adjustment Process Flowchart [4]



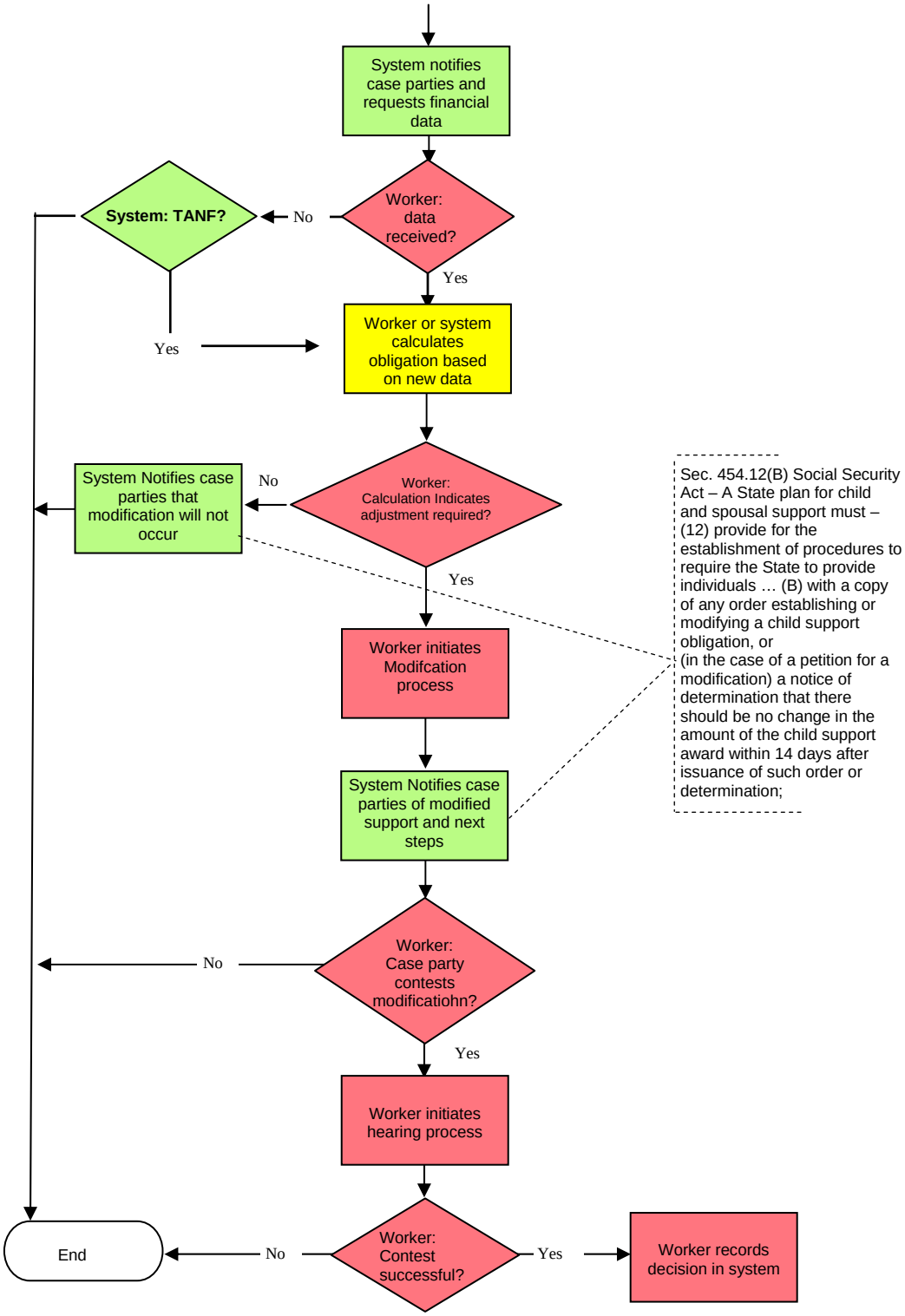
45 CFR 303.8(b)(6): State to provide notice not less than once every 3 years to the parents subject to the order informing the parents of their right to request the State to review

45 CFR 303.8(e): Within 180 calendar days of receiving a request for a review or locating the non-requesting parent, whichever occurs later, a State must: Conduct a review of the order and adjust the order or determine that the order should not be adjusted, in accordance with this section.

45 CFR 303.8(b)(1): Procedures under which every 3 years (or such shorter cycle as the State may determine) upon the request of either parent, *or, if there is an assignment under part A, upon the request of the State agency under the State plan or of either parent,*[5] the State shall with respect to a support order being enforced under this part, taking into account the best interests of the child involved—
(I) review and, if appropriate, adjust the order in accordance with the guidelines established pursuant to section 467(a) if the amount of the child support award under the order differs from the amount that would be awarded in accordance with the guidelines;
(II) apply a cost-of-living adjustment to the order in accordance with a formula developed by the State; or
(III) use automated methods (including automated comparisons with wage or State income tax data) to identify orders eligible for review, conduct the review, identify orders eligible for adjustment, and apply the appropriate adjustment to the orders eligible for adjustment under any threshold that may be established by the State.

[4] The workflow diagram represents one possible process scenario. Other scenarios are possible.

[5] The italicized language will be eliminated in a forthcoming regulation.


System notifies case parties and requests financial data
Worker: data received?
No
System: TANF?
Yes
Yes
Worker or system calculates obligation based on new data
Worker: Calculation Indicates adjustment required?
No
System Notifies case parties that modification will not occur
Yes
Worker initiates Modifcation process
System Notifies case parties of modified support and next steps
Worker: Case party contests modificatiohn?
No
Yes
Worker initiates hearing process
Worker: Contest successful?
No
End
Yes
Worker records decision in system
Sec. 454.12(B) Social Security Act – A State plan for child and spousal support must – (12) provide for the establishment of procedures to require the State to provide individuals … (B) with a copy of any order establishing or modifying a child support obligation, or (in the case of a petition for a modification) a notice of determination that there should be no change in the amount of the child support award within 14 days after issuance of such order or determination;

Review and Adjustment Automation Comparison

This part describes how each state with enhanced review and adjustment processing has automated the individual steps associated with the process. The first column (Process Step) in the table identifies the process step involved in review and adjustment. Column 2 ("Notes") provides further description of the step. Columns 3 through 6 describe the level of automation that the identified state has implemented. Process steps that are initiated by the system are described with **bold** green lettering; worker-initiated tasks are described in normal red lettering. Please note that Minnesota has implemented both a COLA and traditional review and adjustment process. However, only their automated COLA process is discussed in the table below.

		Alaska	**Maine**	**Vermont**	**Minnesota**
	Major Proactive Feature(s):	Automated Wage Data Collection and Guideline Calculation	Automated Wage Data Collection	Automated Wage Data Collection and Guideline Calculation	Automated Cost-of-Living-Adjustment (COLA)
	Primary Modification Criteria:	15% change in the support award	15% change in the support award	10% change in the support award	Support award not exempt from COLA
	Types of Orders:	Administrative Judicial	Administrative Judicial	Judicial	Judicial
	Guideline Model:	Percent of Obligor Income	Income Shares	Income Shares	Percent of Obligor Income
	Program Administration	State Administered State Operated	State Administered State Operated	State Administered State Operated	State Supervised County Administered
	Worker Organization:	By Function	Varies by Office	By Case	Varies by Office
Process Step[6]	**Notes**				
Right to Review Notification					
Generate Right to Review notice	Notice generated and sent to CP and NCP regarding right to support order review	**System Initiated: system generates Notice to CP and NCP.**	**System Initiated: system generates Notice to CP and NCP.**	**System Initiated: system generates Notice to CP and NCP.**	**System Initiated: system generates Notice to CP and NCP.**

[6] Process Step represents the significant steps involved in the Review and Adjustment process. However, the order of their presentation does not necessarily represent the exact flow of steps that would be taken to complete the process.

	Notes	Alaska	Maine	Vermont	Minnesota
Review and Adjustment					
Trigger Review & Adjustment process	The process can be triggered by: • updated wage information,[7] • process-significant date, and/or • case party request	**System Initiated: daily, ELMO identifies all cases established in prior years of the same month, searches for wage data,[8] and simulates a guideline calculation to identify candidate cases.** Worker Initiated: case party requests review and R&A process initiated.	**System Initiated: daily, NECSES cycles through all current cases using selection criteria[9] to identify candidate cases.** Worker Initiated: case party requests review and system-monitored R&A process initiated.	**System Initiated: ACCESS receives quarterly wage data for CP and NCP; batch program compares estimated support based on new wage data with current support obligation.[10]** **Automated: case has not been reviewed in the last 35 months.** Worker Initiated: case party requests review; case status field coded and system-monitored R&A process initiated.	**System Initiated: annually, in March, PRISM cycles through all IV-D cases and identifies cases that are potentially eligible for a COLA.[11]**

[7] Each state generally establishes criteria for acceptable wage data. For example, Alaska requires 4 consecutive quarters of wage data and no involvement with the unemployment or worker compensation systems for the past year. In contrast, Vermont requires 4 quarters of wage information within the last two years and no involvement with the state unemployment system for the last 6 months.

[8] ELMO receives data from the Alaska Department of Labor and National Directory of New Hires databases; ACCESS receives data from the Vermont Department of Employment and Training database.

[9] Criteria include: case must be open with current and accruing support order; have 1 dependent under age of 17 1/2; NCP must have confirmed address; 12 months since order was entered or last review; must be an open confirmed employer; must be paying and met 75% of the obligation in past 30 days; NCP must have total income greater than $15,000 annually.

[10] A case must meet specific criteria before the wage search / comparison is made. For example, Vermont requires that the case: be active; be IV-D; have an obligation; and not already be in an ACCESS case management track.

[11] Minnesota instituted a two-year COLA policy for all cases (both IV-A and non-IVA cases). Selection criteria require determining if the case was COLA-adjusted during the previous year, if the case was recently modified through the formal modification process, or if case jurisdiction resides with another state. Child support orders out of the IV-D system are not automatically adjusted.

	Notes	Alaska	Maine	Vermont	Minnesota
Mark case for potential modification	Case is selected for further action based on preliminary data / analysis or coding	**System Initiated: system enters code for TANF cases; system monitors timelines.** Worker Initiated: worker enters code after non-TANF case party returns signed Petition. System monitors timeframes of non-TANF case.	**System Initiated: system enters code for TANF cases; system monitors timelines.**	**System Initiated: based on manual or system-initiated coding; case placed in Review process tracking module; system monitors timeframes.**	Not Applicable
Notify and Assign case to a Worker / Unit	Reports / Alerts notify worker. Worker assignment may be pre-determined or randomly conducted.	**System Initiated: system generates a report for R&A specialists identifying cases potentially eligible for modification.** Worker Initiated: team of R&A specialists made aware of the case via a system generated report and select cases to work on.	**System Initiated: system notifies the CSE Agent regarding cases potentially eligible for modification.** **System Initiated: worker assigned based on previous case affiliation**.	**System Initiated: system generates Alert to worker regarding potential cases.** **System Initiated: worker assigned based on previous case affiliation. No more than 10 R&A cases per month are assigned to a worker.**	**System Initiated: system generates reports in January for workers to review regarding potential COLA-adjusted cases prior to process start.**
Review case circumstances	Worker determines if / how process should continue.	Worker Initiated: worker reviews non-TANF case and changes process coding if needed.[12]	Worker Initiated: worker reviews case and changes process coding if needed.	Worker Initiated: worker reviews case and changes process coding if needed.[13]	Worker Initiated: worker reviews case and changes process coding if needed prior to process start.[14]

[12] Worker looks for unique case circumstances (e.g., temporary employment, shared custody) not detected by ELMO.

[13] Family courts in Vermont consider many different factors when establishing, enforcing, and modifying child support amounts. The decision to continue would not rest solely on wage information.

[14] Prior to the COLA calculation that occurs in March, workers receive PRISM-generated reports and determine if cases are accurately coded to reflect the current circumstances.

	Notes	Alaska	Maine	Vermont	Minnesota
Notify Case Parties about potential adjustment in support amount	Notices generated and sent to case parties or employers regarding the potential for the support order to be modified	Worker Initiated: worker codes ELMO to generate Notices to case parties. **System Initiated: system generates Notices to TANF CP and NCP indicating potential support change and effective date; Petitions sent to non-TANF CP and NCP indicating potential for support modification and requesting go ahead from benefiting party.**	Worker Initiated: worker codes NECSES to generate Notices to case parties. **System Initiated: system generates Notices to CP, NCP indicating potential for support modification.**	**System Initiated: Notices (2401, 2402) to CP, NCP indicating potential for support modification and requesting go ahead are generated and sent.**	Not Applicable
Request financial data from Case Parties	Notices generated and sent to case parties requesting financial documents	**System Initiated: system generates Notices to CP and NCP requesting current income / financial data within 30 days.**	**System Initiated: system generates Notices to CP and NCP requesting current income / financial data within 30 days if Administrative or 14 days if Judicial.**	**System Initiated: system generates Notices (2403, 2404) to CP, Non-CP requesting current income / financial data.**	Not Applicable

	Notes	Alaska	Maine	Vermont	Minnesota
Conduct calculation and determine status	Guideline or COLA calculation is performed	**System Initiated: system uses imported wage data and calculates new support amount according to the Guidelines**. Worker Initiated: worker enters additional / updated financial data into ELMO if needed, reviews calculation, and assigns code depending on case circumstances.	**System Initiated: system uses imported wage data and calculates new support amount according to the Guidelines.** Worker Initiated: worker enters additional / updated data into NECSES if needed, reviews calculation, and assigns code depending on case circumstances.	**System Initiated: system uses imported wage data and calculates new support amount according to the Guidelines.** Worker Initiated: worker enters additional / updated financial data into ACCESS / Guideline calculator if needed, reviews calculation, and assigns code depending on case circumstances (e.g., TANF vs. non-TANF).	**System Initiated: system calculates COLA based on current CPI indexes.**
Initiate modification of support	The process required to officially modify the amount of the support order	Worker Initiated: for Administrative orders, worker enters modification code on Accounting screen to initiate new order amount. For Judicial orders, worker prepares Affidavit and sends to Attorney General for processing; case coded as "Open Suspense."	Worker Initiated: for Administrative orders, worker enters modification code to initiate new order amount. For Judicial orders, process is initiated when worker prepares Referral Package and sends to Attorney General for processing.	**System Initiated: based on previous manual coding, system places case in modification track and forwards to Family Court for judicial proceedings; case progress is tracked.**	Not Applicable

	Notes	Alaska	Maine	Vermont	Minnesota
Notify Worker, Case Parties, Court, Employer about Guideline / COLA calculation results	Information about the calculation results is given to process participants	**System Initiated: for both Administrative and Judicial orders, system generates Notices to CP and/ or NCP with information about the R&A analysis and next steps (e.g., go forward with modification, initiate an appeal).** Worker Initiated: If a Judicial order, paper file prepared and sent to Department of Law for judicial proceedings.	**System Initiated: If an Administrative order, system generates Notices to CP and/ or NCP with information about the R&A analysis and next steps (e.g., go forward with modification, request a hearing). NCP has 35 days to respond.** Worker Initiated: If a Judicial order, Referral Package prepared and sent to Attorney General to initiate judicial proceedings.	**System Initiated: system sends Alert to worker with next step instructions; Notices (2406 – 2415) generated to CP and/ or NCP with information about the R&A analysis and next steps (e.g., go forward with modification)** Worker Initiated: worker makes copy of Notice(s) for document imaging.	**System Initiated: system generates Notices to CP, NCP informing about the pending COLA adjustment; Notices generated to Employers of the new support amount prior to the May 1st effective date**. Worker Initiated: paper copy of Notice sent to NCP is sent to the court.
Contest potential modification	Case party contests potential change in support amount	Worker Initiated: for Admin orders, worker initiates formal hearing with an administrative law judge to review the case.	Worker Initiated: for Admin orders, worker initiates formal hearing with court to review the case.	Worker Initiated: if one party contests the potential modification, he or she is advised to provide all information to the court at the time of the hearing. Further, parties are notified of their right to obtain counsel at any time, as well as their right to petition the court to modify the order on their own. All appeals are heard in Family Court.	Worker Initiated: case party files Motion to Appeal with court administrator.

	Notes	Alaska	Maine	Vermont	Minnesota
Update support amount	The case is updated to reflect the new order amount	**System Initiated: for non-contested Administrative orders, the system is updated with the order amount.** Worker Initiated: for Judicial and contested Administrative orders, worker enters results of judicial proceedings into the system.	**System Initiated: for non-contested Administrative orders, system updates order amount**. Worker Initiated: for Judicial and contested Administrative orders, worker enters results of judicial proceedings into the system.	Worker Initiated: OCS court staff data enter the results of the court event in the system. Those results are tracked by the system to look for a copy of the new order. Court provides copy of new order to both parties and OCS. OCS File Maintenance Unit (FMU) receives order and enters into system, copy going to imaging system.	**System Initiated: system adjusts support order amount to reflect COLA. Judicial proceedings not required.**[15]

[15] Minnesota Courts have directed the state IV-D agency to administer the statutorily-required COLA process.

B. Case Studies in Review and Adjustment Enhanced Automation

OCSE met with program and IT staff in Alaska, Maine, Minnesota and Vermont to learn about the Review and Adjustment automation enhancements they implemented, discuss the design and implementation steps involved, and hear about the benefits to both the client and the program that resulted. The information collected during the site visits was used to develop a case study describing each state's experiences.

The full text of the case studies can be found in the Appendix; each is divided into the following sections:

- State Profile
- Background
- State Statute
- Business Process
- Process Flowchart
- Automation Process
- Challenges and Solutions
- Lessons Learned and Recommendations
- Contact Information

State planners and system design staff are encouraged to read the case studies as they provide information that will be helpful during the planning, design, and implementation phases of the automation enhancement project.

CHAPTER III: REVIEW AND ADJUSTMENT AUTOMATION TECHNICAL ASSISTANCE AND PLANNING DOCUMENTS

State personnel can use the documents in this section to determine the extent of their automation enhancement and to understand minimum requirements as defined by regulation. Section A provides a brief overview of the discussion guide and the guide itself. Section B identifies good ideas shared by Alaska, Maine, Minnesota, and/or Vermont. Section C lists the pre- and post-implementation review and adjustment process statistics that states are encouraged to capture in order to assess the effectiveness of their enhancement.

A. Review and Adjustment Process Discussion Guide

This discussion guide will be helpful for IV-D Directors, System Administrators, Business Analysts and System Designers involved in assessing the current level of review and adjustment automation and determining the extent to which enhancements should be made. The guide examines each of the significant review and adjustment process components discussed in Chapter II, Section A, in terms of the important questions, both programmatic and technical, that a design team should answer prior to any enhancement effort.

In most cases, states will have automated some but not all of the review and adjustment process components, so the discussion guide serves a dual purpose. For those components that have already been automated, the guide can be used in conjunction with other tools to help determine whether the system meets Federal and state review and adjustment requirements. And for those process components not yet automated, the guide serves as an analytical tool to determine the extent of the automation enhancement effort.

The discussion guide dissects each process component by means of three analyses: automation considerations, Federal functional requirements, and regulatory/statutory requirements. It is important to keep in mind that the regulatory/statutory discussion focuses on Federal requirements, so policy and business analysts should also incorporate their state's applicable review and adjustment regulatory, statutory and procedural requirements into this analysis. States are also encouraged to go beyond the questions posed in the guide and reach out to the state contacts identified in each of the case studies (see the Appendix) as their experiences should prove to be valuable to anyone contemplating a similar system enhancement.

Review and Adjustment Process Discussion Guide

Process Step[16]	Automation Considerations	Federal Functional Considerations[17]	Federal Regulatory / Statutory Considerations	State Regulatory Considerations
Pre-Automation Enhancement Considerations	1) What circumstances will dictate when the worker, rather than the system, will make process-related decisions. 2) Will the automation enhancement accommodate unique local-office process steps or will a standard, statewide process be implemented? 3) Will users other than CSE workers directly responsible for conducting the review and adjustment process (e.g., customer service staff, court personnel, etc.) use the automated feature?	Case Management – Objective D4 a. The system must perform case monitoring to ensure that case actions are accomplished within required timeframes. The system must track dates to ensure that the timeframes for expedited processes, locate, paternity establishment, support order establishment, review and adjustment, and enforcement (including wage withholding) are met. b. Whenever possible, the system must automatically initiate the next step in case processing without being prompted by the caseworker.		(For State use – list applicable state review and adjustment regulatory requirements into this column.)

[16] Process Step represents the significant steps involved in the Review and Adjustment process. However, the order of their presentation does not necessarily represent the exact flow of steps that would be taken to complete the process.

[17] Federal functional considerations are outlined in the *Automated Systems for Child Support Enforcement: A Guide for States* and represent the minimum functional requirements that need to be maintained to avoid a system compliance issue. The state should concentrate its enhancements effort on an increased level of automation that exceeds the minimum Federal functional requirements. The goal of any enhancement is to provide a more sophisticated statewide system that reduces the burden on caseworkers.

Process Step[16]	Automation Considerations	Federal Functional Considerations[17]	Federal Regulatory / Statutory Considerations	State Regulatory Considerations
	4) Will new technology (e.g., Web-based interface) be introduced with the enhancement? If yes, what are the technical and training needs? 5) Is a contractor needed to design and build the automated feature? If yes, what are the procurement requirements? 6) Will business and technical staff knowledgeable of the current process and the legacy system be available to the automation design team? 7) How will interstate cases be addressed?	Case Management – Objective D5 i. All information received and actions taken must be recorded in the automated case record. Data elements must indicate the amount of any adjustments, including the addition of health insurance to the order or the reason for no adjustment being pursued. j. The system must generate a notice to each parent of all proceedings in which support obligations might be modified.		
Generate Right to Review Notice	1) How is the case party notification currently accomplished? 2) How often will the case party notice be generated: annually, bi-annually, tri-annually, other? 3) What criteria (rules) will be used to initiate the notice generation?	Case Management – Objective D5 b. The system must generate at least once every three years, a notice to each parent of the right to request a review of the order, and the appropriate place and manner in which the request should be made, if such information is not provided to the parent from another source.	45 CFR 303.8(b)(6): The State must provide notice not less than once every 3 years to the parents subject to the order informing the parents of their right to request the State to review and, if appropriate, adjust the order consistent with this section. The notice must specify the place and manner in which the request should be made. The initial notice may be included in the order.	

Process Step[16]	Automation Considerations	Federal Functional Considerations[17]	Federal Regulatory / Statutory Considerations	State Regulatory Considerations
Trigger Review & Adjustment process	1) What mechanisms are currently available to trigger the review and adjustment process (e.g., in person or telephone contact, written correspondence, wage data collection, etc.)? 2) If wage data are to be used, what sources are available? 3) Are the wage data source duplicated by another source? 4) Are the wage data accurate? Current? 5) Are wage data available for self-employed individuals? Seasonal / Highly mobile individuals?	Case Management – Objective D4 b. Whenever possible, the system must automatically initiate the next step in case processing without being prompted by the caseworker. The system must automatically: 8. Flag cases for potential review and adjustment of support obligations. Case Management – Objective D5 d. For cases in which either parent requests a review, the system must determine if a review is appropriate based on the age of the order or other criteria selected by the state.	45 CFR 303.8(b)(1): The State must have procedures under which, every 3 years (or such shorter cycle as the State may determine), upon the request of either parent, *or, if there is an assignment under part A, upon the request of the State agency under the State plan or of either parent,*[18] the State shall with respect to a support order being enforced under this part, taking into account the best interests of the child involved: (i) Review and, if appropriate, adjust the order in accordance with the guidelines established pursuant to section 467(a) of the Act if the amount of the child support award under the order differs from the amount that would be awarded in accordance with the guidelines;	

[18] The italicized language will be eliminated in the forthcoming regulation.

Process Step[16]	Automation Considerations	Federal Functional Considerations[17]	Federal Regulatory / Statutory Considerations	State Regulatory Considerations
	6) What criteria (rules) will the system use to determine if the process should be triggered for an individual case? 7) How selective will the criteria be? (e.g., Will the criteria cast a wide net or be somewhat narrow?) 8) How often will the automated trigger process be initiated (e.g., daily, weekly, monthly, etc.)? 9) Will the trigger process require caseworker involvement (e.g., decision-making, data input, etc.)? 10) What will happen to cases not meeting criteria?	Case Management – Objective D5 h. The system must: 1. Collect income, asset, employment, and health insurance information through automated interfaces;	((ii) Apply a cost-of-living adjustment to the order in accordance with a formula developed by the State; or iii) Use automated methods (including automated comparisons with wage or State income tax data) to identify orders eligible for review, conduct the review, identify orders eligible for adjustment, and apply the appropriate adjustment to the orders eligible for adjustment under any threshold that may be established by the State.	

Process Step[16]	Automation Considerations	Federal Functional Considerations[17]	Federal Regulatory / Statutory Considerations	State Regulatory Considerations
Mark case for potential modification	1) Will the system or caseworker code the case to denote that it is currently under review? 2) Will the system monitor the case status and alert the caseworker regarding the 180-day processing time frame?	Case Management - Objective D4. a. The system must perform case monitoring to ensure that case actions are accomplished within required timeframes. The system must track dates to ensure that the timeframes for expedited process, locate, paternity establishment, support order establishment, review and adjustment, and enforcement (including wage withholding) are met. Case Management – Objective D5 a. The system must track the review and adjustment process to ensure that the following timeframes are met: 1. Within 180 calendar days of determining that a review should be conducted or locating the non-requesting parent, whichever occurs later, complete the review and adjustment process. i. All information received and actions taken must be recorded in the automated case record. Data elements must indicate the amount of any adjustments, including the addition of health insurance to the order or the reason for no adjustment being pursued.	45 CFR 303.8(e): Within 180 calendar days of receiving a request for a review or locating the non-requesting parent, whichever occurs later, a State must: Conduct a review of the order and adjust the order or determine that the order should not be adjusted, in accordance with this section.	

Process Step[16]	Automation Considerations	Federal Functional Considerations[17]	Federal Regulatory / Statutory Considerations	State Regulatory Considerations
Notify and Assign case to a Worker / Unit	1) Is the review and adjustment process managed by a worker assigned to the case or to a group of specialists? 2) What mechanism will be used to notify the responsible worker or unit? For example, email notification, added to daily task list, etc. 3) Will the supervisor be notified? Does the supervisor need to authorize the assignment?			
Review case circumstances	1) Is a review by a worker required before proceeding to subsequent process steps? 2) Can a caseworker override cases selected via the trigger process? If yes, is the caseworker's override ability broad or limited? 3) Should the reason for the override be documented? Does it require a supervisor's review or approval?	Case Management – Objective D5 c. The system must identify cases in which the order does not include health care coverage. d. For cases in which either parent requests a review, the system must determine if a review is appropriate based on the age of the order or other criteria selected by the state.	45 CFR 303.8(b)(4) The State must have procedures which provide that any adjustment under paragraph (b)(1)(i) of this section shall be made without a requirement for proof or showing of a change in circumstances. 45 CFR 303.8(b)(5): The State must have procedures under which, in the case of a request for a review, and if appropriate, an adjustment outside the 3-year cycle (or such shorter cycle as the State may determine) under paragraph (b)(1) of this section, the State shall review and, if the requesting party demonstrates a substantial change in circumstances, adjust the order in accordance with the guidelines established pursuant to section 467(a) of the Act.	

Process Step[16]	Automation Considerations	Federal Functional Considerations[17]	Federal Regulatory / Statutory Considerations	State Regulatory Considerations
Notify Case Parties about potential adjustment in support amount	1) What information will be given to the CP and the NCP regarding the potential adjustment?	Case Management – Objective D5 f. The system must generate all legal documents, forms, and letters necessary to complete the review and adjustment process. g. The system must record the type of document generated, the addressee, and the date sent, in the automated case record. After sending any document requiring a response, the system must notify the caseworker if such response is significantly delayed, based on state experience, and generate a follow-up information request. h. The system must: 6. Generate notices to inform parents of proposed actions and their right to challenge such actions, and generate any documents necessary to seek an adjustment or handle an appeal of such action.		

Process Step[16]	Automation Considerations	Federal Functional Considerations[17]	Federal Regulatory / Statutory Considerations	State Regulatory Considerations
Request financial data from Case Parties	1) Will the system or worker initiate / generate the correspondence to the case parties? 2) Is there a time frame governing when case parties are required to respond? If yes, will the system track the time frame and notify the worker when reached?	Case Management – Objective D5 f. The system must generate all legal documents, forms, and letters necessary to complete the review and adjustment process. g. The system must record the type of document generated, the addressee, and the date sent, in the automated case record. After sending any document requiring a response, the system must notify the caseworker if such response is significantly delayed, based on state experience, and generate a follow-up information request.		

Process Step[16]	Automation Considerations	Federal Functional Considerations[17]	Federal Regulatory / Statutory Considerations	State Regulatory Considerations
Conduct calculation and determine status	1) Will the system automatically initiate a calculation or will the worker initiate the calculation? 2) How will the system display the various sources of wage data? 3) Will the system or the worker decide what wage data to use? If the system, what rules will be used to make the decision? 4) How will the worker be able to enter or edit wage data? 5) Will the system or the worker determine the status based on the calculation results? 6) If the system will determine status, what rules will be used? 7) If the system will determine the status, can the worker override the system decision? If yes, is the caseworker's override ability broad or limited? 8) How will calculations that result in a downward adjustment be processed?	Case Management – Objective D5 h. The system must: 1. Collect income, asset, employment, and health insurance information through automated interfaces; 2. Provide a means for entry and edit of data received (including the input of manually obtained financial information), both from interfaces and financial affidavits received from other sources; 3. Perform all necessary guideline calculations; 4. Compare guideline calculation against quantitative standard developed by the state, if any; 5. Provide all information and calculations to the caseworker for determination of whether an adjustment should be pursued;	45 CFR 303.8 (c): Standard for adequate grounds. The State may establish a reasonable quantitative standard based upon either a fixed dollar amount or percentage, or both, as a basis for determining whether an inconsistency between the existent child support award amount and the amount of support determined as a result of a review is adequate grounds for petitioning for adjustment of the order. 45 CFR 303.8 (d): Health care needs must be adequate basis. The need to provide for the child's health care needs in the order, through health insurance or other means, must be an adequate basis under State law to initiate an adjustment of an order, regardless of whether an adjustment in the amount of child support is necessary. In no event shall the eligibility for or receipt of Medicaid be considered to meet the need to provide for the child's health care needs in the order.	

Process Step[16]	Automation Considerations	Federal Functional Considerations[17]	Federal Regulatory / Statutory Considerations	State Regulatory Considerations
Notify Worker, Case Parties, Court, Employer about Guideline / COLA calculation results	1) If the system initiates the guideline calculation, what mechanism will be used to notify the responsible worker or unit of the results? 2) Will the system or worker initiate / generate the correspondence to the case parties? 3) Will the system or worker initiate / generate the correspondence to the court (if applicable)?	Case Management - Objective D4. a. The system must perform case monitoring to ensure that case actions are accomplished within required timeframes. The system must track dates to ensure that the timeframes for expedited process, locate, paternity establishment, support order establishment, review and adjustment, and enforcement (including wage withholding) are met. Case Management – Objective D5 a. The system must track the review and adjustment process to ensure that the following timeframes are met: 2. Within 14 days after issuance of any order modifying a child support obligation or a determination of no change in the amount of child support, the system must: (a) alert the caseworker to provide each party with a copy of the order, or (b) in the case of a petition for modification, the system must generate a notice of determination that there should be no change in the amount of the child support award.	Social Security Act. Section 454. A State plan for child and spousal support must: (12) provide for the establishment of procedures to require the State to provide individuals that are applying for or receiving services under the State plan, or who are parties to cases in which services are being provided under the State plan… (B) with a copy of any order establishing or modifying a child support obligation, or (in the case of a petition for modification) a notice of determination that there should be no change in the amount of the child support award, within 14 days after issuance of such order or determination;	

Process Step[16]	Automation Considerations	Federal Functional Considerations[17]	Federal Regulatory / Statutory Considerations	State Regulatory Considerations
		f. The system must generate all legal documents, forms, and letters necessary to complete the review and adjustment process. g. The system must record the type of document generated, the addressee, and the date sent, in the automated case record. After sending any document requiring a response, the system must notify the caseworker if such response is significantly delayed, based on state experience, and generate a follow-up information request. h. The system must: 6. Generate notices to inform parents of proposed actions and their right to challenge such actions, and generate any documents necessary to seek an adjustment or handle an appeal of such action.		

Process Step[16]	Automation Considerations	Federal Functional Considerations[17]	Federal Regulatory / Statutory Considerations	State Regulatory Considerations
Contest potential modification	1) If there is a time frame within which a contest must be heard and decided upon, will the system track the time frame and notify the worker when reached?	Case Management - Objective D4. a. The system must perform case monitoring to ensure that case actions are accomplished within required timeframes. The system must track dates to ensure that the timeframes for expedited process, locate, paternity establishment, support order establishment, review and adjustment, and enforcement (including wage withholding) are met.	45 CFR 303.8(b)(2): If the State elects to conduct the review under paragraph (b)(1)(ii) or (iii) of this section, the State must have procedures which permit either party to contest the adjustment, within 30 days after the date of the notice of the adjustment, by making a request for review and, if appropriate, adjustment of the order in accordance with the child support guidelines established pursuant to section 467(a) of the Act.	

Process Step[16]	Automation Considerations	Federal Functional Considerations[17]	Federal Regulatory / Statutory Considerations	State Regulatory Considerations
Update support amount	1) Is support order modification performed administratively by the caseworker, or by the court? 2) Is the support order generated by the system or does the caseworker initiate generation? 3) Is the support order provided to the parties within the 14-day timeframe? 4) Is the R&A process completed within 180 days of initiation?	Case management – Objective D5 a. The system must track the review and adjustment process to ensure that the following timeframes are met: 1. Within 180 calendar days of determining that a review should be conducted or locating the non-requesting parent, whichever occurs later, complete the review and adjustment process. 2. Within 14 days after issuance of any order modifying a child support obligation or a determination of no change in the amount of child support, the system must: (a) alert the caseworker to provide each party with a copy of the order, or (b) in the case of a petition for modification, the system must generate a notice of determination that there should be no change in the amount of the child support award.	45 CFR 303.8(e): Timeframes for review and adjustment. Within 180 calendar days of receiving a request for a review or locating the non-requesting parent, whichever occurs later, a State must: Conduct a review of the order and adjust the order or determine that the order should not be adjusted, in accordance with this section. Social Security Act. Section 454. A State plan for child and spousal support must: (12) provide for the establishment of procedures to require the State to provide individuals that are applying for or receiving services under the State plan, or who are parties to cases in which services are being provided under the State plan— (B) with a copy of any order establishing or modifying a child support obligation, or (in the case of a petition for modification) a notice of determination that there should be no change in the amount of the child support award, within 14 days after issuance of such order or determination.	

B. Good Ideas

The good ideas summary will be helpful for IV-D Directors, System Administrators, Business Analysts and System Designers with responsibility for various phases of the automation enhancement project. The practices highlighted below, which were implemented successfully by one or more of the states discussed earlier, proved to be beneficial to the overall success of the project.

Good Idea Summary

Topic	Good Idea
1) Project Planning and Oversight	❖ Project team established goals for the automated feature. (AK, ME, VT) ❖ A workload assessment to identify the maximum number of reviews per case worker for a given time period (for example, 10 case per worker per month). (VT) ❖ An evaluation to determine post-automation performance outcomes. (AK, ME)
2) Design Features	❖ System includes a mechanism that permits the worker to initiate the automated review process when a case party requests the review. (VT) ❖ Selection criteria thresholds that are easily adjustable by the program and system administrator. (VT) ❖ System keeps track of all process-related time frames and alerts appropriate worker when nearing end date. (ME, VT) ❖ Automation of forms and notices. (AK, ME, VT) ❖ System monitors and limits number of review cases assigned to a worker per month. (VT) ❖ The system flags cases that meet the review criteria but do not have sufficient automated wage data. (AK) ❖ The guideline calculator is developed with an easy-to-use interface (for example, Windows / HTML) and can be downloaded by anyone with Internet access. (VT) ❖ System notifies employers of wage withholding modification at least 2 weeks prior to the start date to give adequate processing time. (MN)

Topic	Good Idea
	❖ COLA modifications involving Interstate cases do not require additional worker involvement. (MN)
	❖ Automated process is streamlined, limiting requirement for worker involvement to key decision points. (AK, ME, MN, VT
3) Testing	❖ Testing incorporated multiple process scenarios created by process experts. (AK, ME, VT)
	❖ Some testers also served as members of the design team. (AK)
4) Development / Implementation	❖ Design and development teams included process experts and legacy system experts. (AK, ME, VT)
	❖ The automated feature was not made available to local users until training was delivered. (VT, ME)
5) Training	❖ The coordinator responsible for training development once served as a case worker; she developed materials from a user perspective. (VT)
	❖ Training staff participated in system testing. (AK, VT, ME)
	❖ Training included discussion of downward adjustments – both in terms of process and value to collection efforts. (VT)
	❖ Training provided at same time that the automated feature is first made available to workers. (VT, ME)
	❖ COLA training provided to new workers just prior to the start of the COLA process (January). (MN)

C. Review and Adjustment Process Automation Enhancement Statistics

The following statistics should be collected prior to and following the implementation of the automated Review and Adjustment system enhancement in order to measure the effectiveness of the enhancement.

Wage Comparison Model

Statistic	**Explanation**	**Prior to Automation**		**After Automation**
1. Cases Screened for the Review Process	a. Average monthly number of cases that are screened to determine if they will proceed to the next Review process step.			
2. Cases Selected that Initially Qualify for Further Review	a. Average monthly number of cases that, based on current information, and case circumstances, are selected for Review.			
3. Cases Modified	a. Average monthly number of cases that are modified (either upward or downward)			
	b. Average percentage of cases modified upward.			
	c. Average percentage of cases modified downward.			
4. Increase in Support Amount	a. Average dollar change in support amount for cases that were modified upward			

Statistic	**Explanation**	**Prior to Automation**		**After Automation**
	b. Average percentage increase in support amount for cases that were modified upward			
	c. Average dollar change in support amount for cases that were modified downward			
	d. Average percentage decrease in support amount for cases that were modified downward			
5. Resource Use[19]	a. Average number of days to complete the review and adjustment process.			
	b. Average hours spent per case worker to complete the review and adjustment process			

[19] Please estimate this statistic if no data are available.

COLA Model

Statistic	Explanation	2005	2004	2003	2002	2001
Total Number of Cases						
Total Number of Cases with Orders						
Total Number of Cases Selected	Cases identified as qualifying for a COLA adjustment					
Total Number of Cases COLA-adjusted	Cases that actually received a COLA adjustment					
Cases Appealed	Number of COLA-adjusted cases appealed					
Average Annual Obligation Increase – COLA	The average amount, in dollars, that support obligations increased due to the COLA					
Total Increase in Annual Obligations	The total amount, in dollars, that child support obligations increased due to the COLA					
Total Number of Cases Modified via the Traditional Review and Adjustment Process	Total number of cases whose support obligation was modified through a manual review and adjustment process.					
Average Obligation Increase – Manual Review and Adjustment Process	The average amount, in dollars, that support obligations increased via the manual review and adjustment process.					

APPENDIX

A. Case Study: State of Alaska

Review and Adjustment Automation

State of Alaska
Department of Revenue, Child Support Services

State Profile

Alaska Child Support Services Division is a state administered, state operated program that encompasses a caseload of 46,387 cases and support collections exceeding $92 million dollars. The Child Support Services Division (CSSD) is staffed with approximately 233 FTE employees[20], and serves its customers through one central office, Anchorage, and 3 regional offices located in Fairbanks, Juneau, and Wasilla. These offices are staffed by child support specialists, paralegals, attorneys, supervisors, and support staff.

Support orders are judicially as well as administratively established; roughly 60% are administratively established. Judicial orders, usually established when the parent seeking support does not seek CSSD services, are required to be modified by the courts. Alaska uses the Percent of Obligor Net Income guideline model.

Reviews are conducted every three years or at the request of a case party. Upon a written request, the agency will send notice and request income information from both parties, and schedule a date by which the income information should be received. The information provided by the parties along with other available information is reviewed to determine if there would be an increase or decrease of at least 15% in the child support order. If the threshold 15% change is met and the parties have an administrative support order, the agency will modify the administrative order. If the parties have a court order, the agency will assist in the modifications.

Some of Alaska's largest industries (e.g., seafood processing, construction, retail trade, hotel and lodging) only employ labor seasonally. As a consequence, many CSSD cases involve non-custodial parents that work part of the year in Alaska and the remainder of the year in another state.

The primary Child Support application is the computer system known as Northern Support Through Automated Resources (NSTAR); it is certified for the 1996 Personal

[20] Statistical data from the FY2003 State Box Scores on the OCSE website.

Responsibility and Work Opportunity Reconciliation Act (PRWORA). The application is written in COBOL II and Natural, incorporates an ADABAS DBMS and sits on an IBM mainframe running OS 390.

Background

Up through the early 1990's, the review and adjustment process was not considered a high priority process. At that time, AFDC cases were routinely targeted for review and adjustment but non-AFDC cases were largely left alone by both CSSD caseworkers and the Attorney General's office unless either party initiated a review. Prior to Electronic Modification (ELMO), review and adjustment processing was largely a manual activity. Caseworkers initiated the collection of wage and income data from the case parties and available databases, and performed the guideline calculation manually. Program officials reported that the process normally took 6-8 months to complete.

By 1992, administrators in both offices began to reconsider the relatively passive strategy for review and adjustment. Officials became interested in proactively initiating review and adjustments, and program planners subsequently began to discuss ways to improve performance and outcomes. By 1992, Alaska CSSD contemplated fully automating the review and adjustment process using a wage and income comparison method. Initial goals for automating the process were to:

- minimize the manual intervention required by the caseworker, and
- improve process efficiency and effectiveness

Work on the module was postponed until PRWORA certification was completed. In 1997, CSSD applied for and received a Federal grant to accomplish the automation; they began analysis and design in 1998. The project took one and a half years to complete as CSSD ran into a number of hurdles that caused delays to the work plan including:

- a lack of experienced programmers needed to complete the design and implementation
- resources that were prioritized on Y2K fixes, and
- processes and rules that were difficult to automate

ELMO went on-line on April 15, 2000 and it initially reviewed about 37,000 child support orders in its first year of operations. In effect, ELMO reviewed the majority of CSSD's caseload, which comprised 47,000 cases. In May 2001, ELMO began its second round of reviews.

Currently, ELMO-initiated reviews take 120 days on average to modify[21], which is 2 months less than the full amount of time (180 days) allowable under Federal regulations. Other related statistics include:[22]

- ELMO reviews an average of 3,800 cases per month. It reviews all cases with orders issued in the same month.
- In 2003, ELMO initiated 245 total cases for a modification review:
    - 43% of these were an increase of the monthly support obligation
    - 8% were a decrease of the monthly support obligation, and
    - 49% were either ceased or denied
- ELMO suspended an average of 357 cases per month for the following reasons:
    - Closed cases
    - Case Registry cases
    - Fee/Voluntary Orders
    - Deceased non-custodial parent
    - Youngest child emancipates within 6 months, or
    - Support order has expired

State Statute

Sec. 25.27.045 Determination of support obligation.

The agency may appear in an action seeking an award of support on behalf of a child owed a duty of support, or to enforce a spousal support order if a spousal support obligation has been established and if a support obligation, established with respect to a child of that spouse, is also being administered, and may also appear in an action seeking modification of a support order, decree or judgment already entered. Action under this section may be undertaken upon application of an obligee, or at the agency's own discretion if the obligor is liable to the State under AS 25.27.120 (a) or (b).

Sec. 25.27.190 Modification of administrative finding or decision.

(a) Unless a support order has been entered by a court and except as provided in AS 25.25, the obligor, or the obligee or the obligee's custodian, may petition the agency or its designee for a modification of the administrative finding or decision or responsibility previously entered with regard to future periodic support payments. In addition, the agency may initiate a modification and grant a hearing under (c) – (e) of this section.

[21] The 120-day average to complete the review and adjustment process is for both administrative and judicially established orders. Approximately 40% of court-based orders are completed in 120 days; 60% take longer.

[22] FY 2003 statistics.

(b) The agency shall grant a hearing upon a petition made under (a) of this section if affidavits submitted with the petition make a showing of good cause and material change in circumstances sufficient to justify action under (e) of this section.

(c) If a hearing is granted, the agency shall serve a notice of hearing together with a copy of any petition and affidavits submitted on the obligee or the obligee's custodian and the obligor personally or by registered, certified, or insured mail, return receipt requested, for restricted delivery only to the person to whom the notice is directed or to the person authorized under Federal regulation to receive that person's restricted delivery mail.

(d) A hearing shall not be set for less than 15 or more than 30 days from the date of mailing of notice of hearing, unless extended for good cause.

(e) Modification or termination of future periodic support payments may be ordered upon a showing of good cause and material change in circumstances. The adoption or enactment of guidelines or a significant amendment to guidelines for determining child support is a material change in circumstances, if the guidelines are relevant to the petition.

Sec. 25.27.193 Periodic review or adjustment of support orders.

As necessary to comply with 42 U.S.C. 666, the agency, by regulation, shall provide procedures and standards for the modification, through periodic review or adjustment, of a support order. Regulations adopted under this section must include procedures for periodic notice of the right to request review, procedures for hearings, and standards for adjustment regarding future periodic support payments. A modification under this section may be made without the showing of a material change in circumstances.

Administrative Code

15 AAC 125.335. Procedures for automated review and adjustment of support order

(a) The agency may review a support order as provided under 15 AAC 125.316 (a) or (b) through an automated method. The use of an automated method under this section includes the application of a cost-of-living adjustment or the use of other databases such as Department of Labor and Workforce Development information.

(b) If the support order for which review has been initiated through an automated method was issued by or registered with the agency, the agency will send a notice by first class mail or by electronic means to each parent subject to the order, and, if appropriate, to a child support enforcement agency of another state. The notice must inform the recipients of the notice that the support order has been reviewed by automated methods and must give notice of the modified support amount and the effective date of the modification. Upon receipt of the notice, either parent may appeal by submitting a written request for a formal hearing. The provisions

of 15 AAC 05.010 and 15 AAC 05.025 – 15 AAC 05.040 regarding formal hearings apply to an appeal under this subsection.

(c) The agency will, in its discretion, commence enforcement of the modified support amount upon issuance of a notice under (b) of this section. If a parent requests a formal hearing, the agency may not stay enforcement of the modified support amount unless the obligor posts security or bond in an amount sufficient to secure payment of past support conditioned upon final determination of the formal hearing. The agency will continue to collect and disburse the modified ongoing support obligation, regardless of posting of a bond or security under this subsection.

If the support order for which review has been initiated through an automated method was issued by or registered in a court of this State, the agency will promptly forward the file to the Department of Law to present the determination in judicial proceedings for modification of the support order.

Business Process

ELMO reviews all current child support order amounts annually. Each month it cycles through all orders established in prior years of the same month. After it conducts a pre-screening of basic case eligibility, ELMO then searches for income information from automated sources. If it finds income information for four consecutive quarters, it conducts a guidelines calculation. In turn, if that calculation results in at least a 15 percent difference in the existing order amount (which is the threshold specified in the Alaska Child Support Guidelines), ELMO targets that order for a manual review. The direction of the proposed adjustment may be upward or downward.

Alaska CSSD uses the Percent of Obligor Net Income guideline model,[23] applying the following percentages to the non-custodial parent's adjusted income in cases where one parent is awarded primary physical custody:

- 20% for one child
- 27% for two children
- 33% for three children
- an extra 3% for each additional child

There are four "levels of evaluation" that ELMO conducts in selecting cases for an automated review.

[23] The Guidelines provide an adjustment formula if the child is living with the non-custodial parent for more than 30 percent of the year. A visitation abatement is permissible for extended visitation; that is, when the child spends over 27 consecutive days with the non-custodial parent. There is also an adjustment for situations where custody is divided between the parents.

During the 1st level of evaluation, ELMO reviews each open case in the system and determines if the case is potentially eligible for a modification. Classes of cases excluded at this point are:

- closed cases
- cases without a current support amount charging
- cases where the non-custodial parent is deceased
- cases in which all of the children are deceased
- cases where the last child emancipates in 6 months or less
- fee and voluntary orders cases
- cases in which the order effective date is less than one year, and
- Federal Case Registry cases

Excluded cases are listed on a daily report with the reason the review was stopped. ELMO also generates a daily report giving the number of Notices issued that day.

The Federally required three year Notice (NRRR) and the ELMO program use common criteria in eliminating cases from both the 3-year notices and the automated review. Thus, one recent enhancement to the ELMO program has been allowing ELMO to generate the NRRR as required by Federal Regulation 303.8. The NRRR is now a totally automated process requiring no worker input.

For the 2nd level of evaluation, ELMO earmarks cases that are not yet programmed for an automated review. In these instances, the automated processing is stopped and a caseworker manually completes the review and adjustment. Types of cases include:

- shared/divided cases
- cases where the non-custodian has more than one case, and
- cases where Alaska does not have jurisdiction to proceed with the review

Because the status of these cases may change at any time, ELMO examines them each month. These cases are listed on a daily report with the reason the review was stopped.

During the 3rd level of evaluation, ELMO matches cases with income from the automated sources such as the Alaska Department of Labor and National Directory of New Hires. Once the cases are matched, ELMO continues looking to see if there is enough income information to proceed. Generally, four consecutive quarters of income must be available. In Alaska, unemployment or worker's compensation is considered a temporary situation and ELMO stops the review. In these cases, the worker looks at three years of income information to fairly evaluate the income of a non-custodian. The cases without 4 consecutive quarters of wage data are excluded from the next "evaluation" and show on the report as "insufficient income information."

The automated process concludes during the 4th level of evaluation after ELMO computes the child support amount based on the quarterly wage data and applying

Alaska's Child Support Guidelines. If the State threshold is met, the case is noted on the daily report as an "upward review" or "downward review." If the amount does not meet the State threshold, it is noted as "within margins – no mod." This evaluation also classifies the cases as administrative, judicial and UIFSA orders.

Subsequent to the 4th level evaluation process, ELMO generates a notice (for TANF cases) to both parties where the State threshold is met. The notice explains there is a possible change in the support amount and the review process has been initiated. The parties are requested to submit their income within 30 days. In TANF cases, client response is not required to proceed with the review.[24]

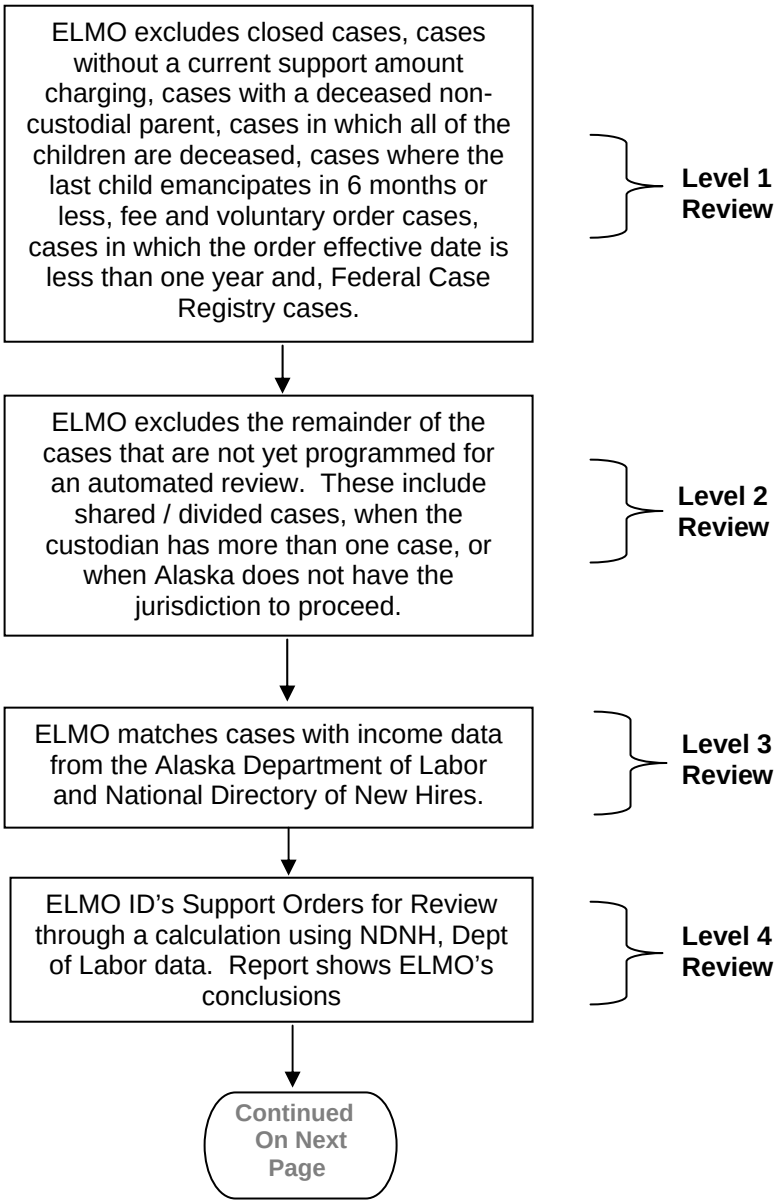
For non-TANF cases, ELMO generates a petition to both parties where the State threshold is met. This form includes the possible change in the support amount and offers both parties the opportunity to request a review. If either party returns a signed petition, the review is initiated and the notice is mailed to both parties. The effective date of the new support is established on the date that the custodial parent returns the petition indicating the desire to proceed with the adjustment.

After the 30-day notice time has elapsed, the caseworker review is conducted. Administrative support orders are completed and mailed to the parties; either party may file an administrative appeal if he or she disagrees with the proposed order. Administrative processes average 85 days to complete the review and issue a new order.

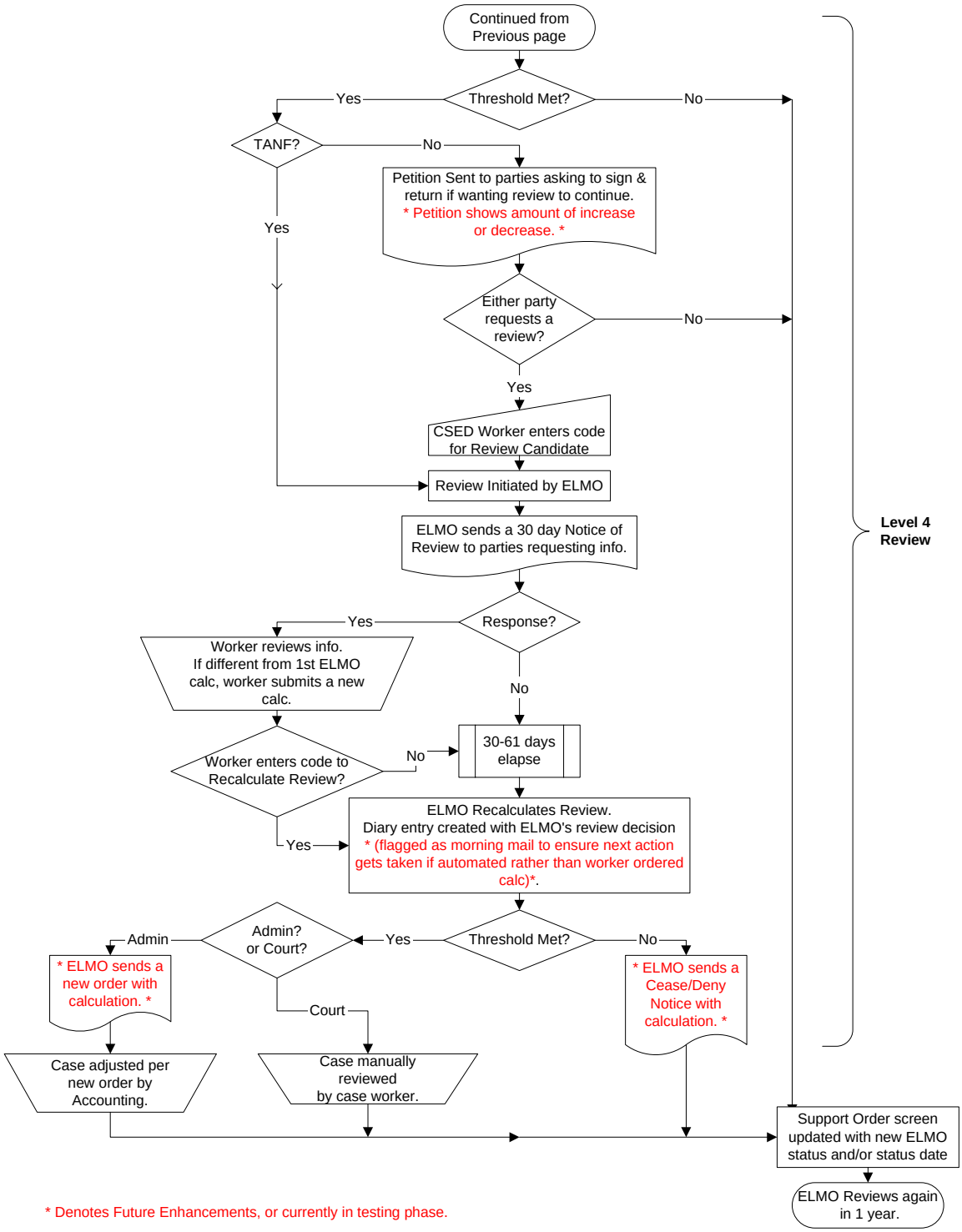
Judicially-established orders are forwarded to the Department of Law for filing with the courts within four weeks after the 30-day notice deadline. Court review processes are contingent on the court calendar, litigation and other variables.

[24] The Notice establishes the effective date of the new order, which is the first of the month following the date the Notice is mailed.

Process Flowchart



Process Flowchart (Continued)



Automation Process

In Phase I of ELMO a project team was selected, which consisted of both Alaska CSSD personnel and contract staff. Contract staff was used primarily for programming. Representatives from the judicial branch were not required. A project manager was assigned oversight for the design, development and implementation phases. The team began meeting in June 1998 to identify high-level design requirements. This process took approximately 4 months.

Phase II focused on the detailed design, development and implementation including:

- modification and evolution of business rules
- automation system design
- programming
- piloting and testing, and
- training and technical support

Phase II design considerations included:

- case scenarios which were used to identify
    - review criteria
    - forms and notices
    - caseworker required actions, and
    - parts of the system needing updating for automation
- evaluation of the data sources
- the automation of forms and notices
- the need to ensure compliance with State and Federal law, and
- the need to accommodate variations in modification steps on cases

Although process redesign was not required, the development of the automated review process was extremely complex and soon became overwhelmed with details. This caused the design to take approximately 1½ years. At that time no other state had an automated process, so there were no experiences to draw from.

The design team completed the necessary criteria for ELMO to proceed to the testing phase in January 2000. Testing was conducted with CSSD staff, primarily caseworkers, using a training environment established in the CSSD system. This resulted in several changes to the original plan of total automation of the review process, such as:

- credit for prior dependants
- shared and divided custody situations, and
- some UIFSA scenarios

By April 2000, ELMO testing was completed and the automated process went into production. It is important to note that ELMO is not a system separate from Alaska's Child Support computer system, but rather a part of the whole system.

Training was provided to all staff (approximately 14 FTE at the time) responsible for case review and adjustment.[25] Personnel who provided training also served as system testers, so they were very familiar with the application functionality.

The module was programmed in COBOL II and Natural Programming languages and utilizes the ADABAS database management system. It runs on a Novell network. No new technology was introduced with ELMO.

ELMO has undergone various revisions and enhancements over time. Modifications include:

- ELMO now automatically generates the 36-month Notice regarding the right to review and adjustment; no caseworker involvement is required.
- ELMO generates morning mail notifying the caseworker that the support order screen was not entered with the date the order was mailed.
- ELMO notifies the caseworker when the order screen has not been updated with the date the Notice of Denial was mailed.
- On non-TANF cases, ELMO generates a Petition to both parties giving them the possible change in the monthly support amount and requesting they return a signed form if they want a review.
- Easily identified 2 digit letter codes allow immediate identification of ELMO's last action or current status. As ELMO processes each support order screen, it identifies the action taken by entering a two letter reason code on the support order screen.
- A daily report is generated identifying each action taken by ELMO.

Currently CSSD is testing the automation of issuing the Notice of Denial and the Administrative Child Support Order on TANF cases that were initiated by ELMO. They chose to test TANF cases first because there are fewer variables and the parties are not required to submit their income information. In testing, if the party provides the income information prior to the date ELMO conducts its review, the worker compares the information received with ELMO's earlier calculation. If the worker determines the income information provided by the party and ELMO's calculations are different, the worker prepares an online calculation using the information provided by the party.

Once the deadline to provide income information has passed, ELMO will use the most recently submitted calculation. If there was no calculation entered by the worker, ELMO utilizes the automated sources to determine if the State threshold is met. ELMO issues either the Administrative Support Order or the Notice of Denial without further worker intervention.

[25] Alaska CSSD staff specialize in specific case functions such as review and adjustment.

Future long range enhancement goals are:

- Automation of shared and divided custody case reviews. In these cases, both parties' income information is required to conduct the calculation.
- Electronic calculation of cases in which the non-custodial parent has more than one case. ELMO must extract information from the older child case and apply it as a credit in the younger child case.
- Complete automation of reviews on all cases currently initiated for a review. This includes State initiated cases by worker, State initiated cases by ELMO and cases where one of the parties requested a review.
- Complete automation of cases in which a 3-year income average must be used.
- Generate a new administrative child support order on all administrative cases meeting the State threshold.
- Generate the necessary judicial paperwork on all judicial cases meeting the State threshold.
- Issue the notice of denial on all administrative and judicial cases that do not meet the State threshold.

Challenges and Solutions

- Although the automated wage/income data source is reliable, Alaska caseworkers are still involved in data collection. For example, some income information such as rental income cannot be accounted for through databases that CSSD currently have access to.

Lessons Learned and Recommendations

- ELMO was originally developed with the automated capacity to target cases for review and automatically issue a modified child support order if appropriate and no requests for a full manual review were made. When piloting this feature, some parents in non-TANF cases complained that they did not want to pursue modification even if it was warranted because they did not want to "rock the boat" with the other parent. As a consequence, the operation of ELMO was scaled down to a tool for targeting cases for review by caseworkers.
- Program officials reported that they would spend more time on process review prior to initiating the design phase. Administrators thought that some process redesign analysis may have added value to the design and development phases.
- The best recommendations for system functionality and process adjustments came from front line staff. They should be involved in all stages of application development.
- Depending on resource availability or current level of automation, some states may want to consider a phased-in approach to improve their level of automation rather than trying to fully automate the entire process all at once. For example, automate the portion of the process that identifies cases that are potentially

eligible for adjustment. Subsequently, automate more of the process down the road.

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B. Case Study: State of Maine

Review and Adjustment Automation

State of Maine
Department of Health and Human Services
Division of Support Enforcement & Recovery

State Profile

Maine child support enforcement is a state administered, state operated program that reported support collections surpassing $97 million dollars and a total caseload exceeding 64,000 cases in fiscal year 2003. Of these cases, 26% were current TANF, 50% were former TANF, and 24% were never on TANF. The Division of Support Enforcement and Recovery (DSER) is staffed with approximately 264 employees[26] and serves its customers through 15 regional offices located in 10 cities. These offices are staffed by supervisors, child support agents, para-professional aides, and support staff.

Maine establishes, enforces and maintains child support orders, which can be established through either a judicial or administrative process. The State uses the Income Shares model[27] to calculate support obligations. Reviews are conducted at the request of either case party; modifications are processed if there is a 15% or more change in the current support amount or if a significant change in circumstances is demonstrated. Criteria for demonstrating a change in circumstances are as follows:

- the earnings of the obligor or obligee have substantially increased or decreased
- the needs of the child(ren) have substantially increased or decreased
- the child(ren) have extraordinary medical expenses not covered by insurance
- there has been a substantial change in child care expenses

The primary Child Support application is the mainframe computer system known as New England Child Support Enforcement System (NECSES); it is certified for the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA). The system is fully integrated with the ability to generate documents and perform tracking of cases as it pertains to the Federal processing guidelines and state policy and procedure.

[26] Statistical data from the FY2003 State Box Scores on the OCSE website.

[27] The income of the both the obligor and obligee are considered.

Background

In 1997, the Division of Support Enforcement and Recovery (DSER) received Section 1115 grant funds from the Federal Office of Child Support Enforcement to develop and demonstrate an automated review and adjustment system.[28] DSER sought to create an effective and efficient system interface that used internal and external sources of information to increase and expedite child support payments through an automated review and adjustment process. Some of the desired automated features included:

- Screening, selecting, and tracking review and adjustment cases based on uniform statewide criteria
- Facilitating information exchange for scheduling/case activity/case management
- Developing and generating forms needed to implement review and adjustment
- Performing automated computations for review and adjustment referrals to the Family Division of the Maine District Court and the administrative process, and
- Establishing an automated notification/scheduling process between the Family Division and DSER

Initial project activities (late 1997 and early 1998) focused on defining the project structure and startup activities. A Steering Committee was formed to supervise the project and provide oversight to all phases of project implementation. Members were comprised of representatives from DSER, the court system, and the Edmund S. Muskie School of Public Service (MSPS).

The Steering Committee recommended establishment of a content work group with design responsibility for all functional areas requiring subject matter expertise such as selection criteria, form redesign, and planning and implementing systems to review and modify administrative and court orders using best practices, automation and procedures developed by the newly established Family Division of the District Court.

The Steering Committee also developed a project plan which included the following key objectives:

1) Enhance collaboration between DSER and the Family Division.
2) Standardize the review and adjustment processes in DSER districts statewide.
3) Reduce the cycle time for review and adjustments cases in DSER districts statewide.
4) Expand the DSER portion of the state data warehouse to include relevant data from NECSES (New England Child Support Enforcement System) and external sources (to enhance automated review and adjustment processes).

[28] The automated review and adjustment project was one of four projects to receive grant money.

5) Evaluate the effectiveness of the automated order review and adjustment system and disseminate findings.

MSPS assigned a lead evaluator and an evaluation assistant to conduct all project evaluation activities.

DSER contracted with a vendor in late 1999 to carry out the system design and implementation phases. At a meeting in February 2000, the content work group presented user requirements to the contract vendor, who used the requirements to produce a complete detail design of the system.

A training work group was officially convened in May 2001 and met every two to three weeks into 2002. The training work group, whose membership evolved from the content work group, was charged with documenting both court and administrative review and adjustment procedures, developing a curriculum, and designing instructional materials for training on the newly automated system. In 2003, as the design vendor continued to fine tune the new automated process, the training work group met frequently during the period to identify any remaining problems with the system. Training for district staff was scheduled to coincide with the release of the automated system. The work group also tested several cases through the system to determine how the new automated process would handle them.

System rollout and training to the districts began in October 2004, and the automated review and adjustment system was in production statewide by December 2004.

State Statute

§2009. Modification of existing support orders

1. Motion to modify support. A party, including the department, may file a motion to modify support. Unless a party also files a motion to amend the divorce judgment, a petition to amend under section 1653, subsection 10, or a motion for judicial review under Title 22, section 4038, the child support obligation is the sole issue to be determined by the court on a motion to modify support. The court, in its discretion, may bifurcate the support issue from other issues presented by the party's pleadings. [1995, c. 694, Pt. B, §2 (new); Pt. E, §2 (aff).]

2. Retroactive. Child support orders may be modified retroactively but only from the date that notice of a petition for modification has been served upon the opposing party, pursuant to the Maine Rules of Civil Procedure. [1995, c. 694, Pt. B, §2 (new); Pt. E, §2 (aff).]

3. Substantial change of circumstances because of variance. If a child support order varies more than 15% from a parental support obligation determined under section 2006, the court or hearing officer shall consider the variation a substantial change of circumstances and if it has been less than 3 years since the order was issued or modified, the court or hearing officer shall modify the order according to the child support guidelines under chapter 63. If it has been 3 years or longer since the order was issued or

modified, the court or hearing officer shall review the order without requiring proof or showing of a change of circumstances and shall modify the order if the amount of the child support award under the order differs from the amount that would be awarded under the guidelines. If a child support order was established under section 2007, a 15% variation between the amount of the order and the parental support obligation determined under section 2006 does not constitute a substantial change of circumstances. [1997, c. 537, §24 (amd); §62 (aff).]

4. Service. Except as provided in this section, a motion to modify support is governed by the Maine Rules of Civil Procedure.

A. Service in hand must be made upon the responding party, as follows:

(1) Service within the state must be made:

(a) By mailing a copy of the motion and accompanying documents by first class mail, postage prepaid, to the responding party, together with 2 copies of a notice and acknowledgement form and a return envelope, postage prepaid; or

(b) If no acknowledgement of service under division (a) is received by the sender within 20 days after the date of mailing, service of the summons and complaint may be made by a sheriff or a deputy within the sheriff's county, or other person authorized by law, or by a person specially appointed by the court for that purpose;

(2) Service outside the state must be made:

(a) By registered mail or certified mail, restricted delivery and return receipt requested; or

(b) By a person authorized to serve civil process by the laws of the place of service, or by a person specially appointed to serve the motion and accompanying documents; or

(3) Service by any other method specifically approved by the court.

[1995, c. 694, Pt. B, §2 (new); Pt. E, §2 (aff).]

B. The motion must be accompanied by:

(1) A notice that the court may enter an order without hearing if the party does not request a hearing;

(2) A notice of the right to request a hearing;

(3) A notice of the requirement of mediation prior to a hearing;

(4) The income affidavit of the moving party or the party receiving the assistance of the department, as well as the responding party's affidavit, if available;

(5) A proposed order, incorporating the child support worksheet; and

(6) Any stipulation entered into by the parties.

[1995, c. 694, Pt. B, §2 (new); Pt. E, §2 (aff).]

[1995, c. 694, Pt. B, §2 (new); Pt. E, §2 (aff).]

5. Request for hearing. A request for a hearing must be made in writing within 30 days of receipt of service and be accompanied by the requesting party's income affidavit and child support worksheet. If a party requests a hearing, the matter must be referred for mediation prior to trial. [1995, c. 694, Pt. B, §2 (new); Pt. E, §2 (aff).]

6. Order without hearing. If a party does not request a hearing within 30 days after service, the court may enter an order modifying support without a hearing using the proposed order, as long as the proposed modified support obligation is equal to or greater than the obligation resulting from the application of section 2005. If a downward deviation is proposed, the court shall hold a hearing prior to entering an order. The court may apply the presumptions set out in section 2004, subsection 1, paragraph D. [1995, c. 694, Pt. B, §2 (new); Pt. E, §2 (aff).]

7. Motion to set aside. An order entered without a hearing pursuant to this section may not be set aside except on motion in which the moving party demonstrates good cause for the failure to request a hearing and a meritorious defense to the proposed order. The Chief Justice may establish costs to be paid by a party moving to set aside an order modifying child support after an order has been entered following that party's failure to file a timely written response. [1995, c. 694, Pt. B, §2 (new); Pt. E, §2 (aff).]

8. Motions by department. When the department provides child support enforcement services, the commissioner may designate employees of the department who are not attorneys to prepare motions under this section, to file those motions in District Court and to represent the department in court if a hearing is held. The commissioner shall ensure that appropriate training is provided to all employees who are designated to represent the department under this section. [1997, c. 466, §4 (new); §28 (aff).]

PL 1995, Ch. 694, §B2 (NEW).

PL 1995, Ch. 694, §E2 (AFF).

PL 1997, Ch. 466, §28 (AFF).

PL 1997, Ch. 466, §4 (AMD).

PL 1997, Ch. 537, §24 (AMD).

PL 1997, Ch. 537, §62 (AFF).

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Business Process

Maine's review and adjustment process consists of four major steps:

1. System Selection / Request for Review and Adjustment Received
2. Start Review
3. Case Preparation (Income Selection & Worksheet Completion)
4. Order Modification

The following sections detail the activities involved with each major step. Differences between the administrative review process and the court review process are noted where applicable. Forms or notices specific to either process are not distinguished.

System Selection / Request for Review and Adjustment Received

An automated selection of eligible cases is triggered on a nightly basis. The system cycles through all active cases and identifies those potentially eligible for review and adjustment using the following criteria:

- Case must be open and have a current and accruing child support order.
- Case must have at least 1 dependent under the age of 17 ½.
- The Non-Custodial Parent (NCP) must have a confirmed address.
- 12 months must have passed since the order was entered or last reviewed.
- There must be an open confirmed employer in the employment history.
- The case must be paying and have met at least 75% of the obligation in the last 30 days.
- The NCP in the case must have a total annual income of more than $15,000.00 in the employment (income) history.
- The increase must be in excess of 15% of the current obligation. *(Note: criterion is not currently enabled)*[29]

For the cases that meet the criteria, the system denotes the status in a review and adjustment indicator found in the case record, records the date, displays eligible cases in the Potentially Eligible for Review Case List screen, and makes an entry in the case diary

[29] This system-initiated calculation feature is on hold until a couple of issues are resolved. The first involves multiple employer/income records for the NCP. The second is the lack of automated wage data for the CP.

to note the open activity. The system also delivers an alert to the appropriate case agent to notify that the case is ready for review.

When the review is requested by a worker or a case party, the worker enters the start date, member identification number, name of person requesting the review, and activity code into the system.

Start Review

Once all potentially eligible cases are identified, the case agent performs a quick review to determine if the process should continue or be terminated.[30] If the process is to continue, the system generates a notice to both case parties (sent certified mail to the Non-Custodial Parent) indicating that the case has been selected for review and requesting current income data from both parties.[31] Both parties have 30 days to submit the requested information when the order is administrative; 14 days when it is a court order. When an order is from the courts and the Non-Custodial Parent requests a review, he/she is responsible for initiating a hearing from the court; the case agent provides the NCP with information about the process and the required forms.

The case agent reviews the income and employment history of each party using the "Member Income Information by Agency" or MINA screen (see Exhibits for screen shot). The system receives current financial data through interfaces with Federal and state databases;[32] data that is received via the interfaces is matched by the system to the appropriate case party.[33] Case agents are also able to manually enter income data using the MINA screen.

[30] Examples of instances when an agent might terminate the process include the following: the order was established out of state; there's a claim pending for SSI; there's a claim pending another party's motion; or the case is pending TANF open. The agent is required to note why the process was terminated.

[31] If there is both an administrative order and a court order for the case, the agent suspends the administrative order and completes the process with the court order.

[32] Federal databases include National Directory of New Hires, FPLS, FIDM and Social Security. State databases include Maine New Hire, Quarterly Wage / Unemployment Insurance, Workers Compensation, and Maine Lottery.

[33] When new income information is received by the system, it searches for a match in the mainframe for the member Social Security number. Once a match is found, the income information is recorded and the system checks the Potentially Eligible for Review indicator. If the indicator is positive, the case agent receives an informational alert that there is new income information. If the indicator is negative, the system stores the income information until the case is potentially eligible for review.

Case Preparation / Income Selection and Worksheet Completion

Upon receiving the financial data from each case party, the case agent uses the "Member Income Information by Agency" screen to compare the financial information submitted by the case parties with the data in the system, and edits as needed.[34] Next, the case agent selects the income data that will be used to calculate the support amount; the system downloads the selected data into a guidelines worksheet. If there is an existing worksheet, the agent will receive an informational alert when navigating to the worksheet, advising the case parties that there is an existing worksheet and asking if they want to create a new worksheet. Creating a new worksheet overwrites the existing worksheet.

Using the system worksheet, the case agent calculates the new order amount based on the current data. In the case of administrative orders, if the new support amount warrants a support modification, the system generates a notice to the case parties with the results of the potential change in the order and information about next steps. Either party has 35 days to contest the modification, which requires a hearing to be scheduled.[35] If the Non-Custodial Parent contests the proposed change, a hearing is scheduled with the Office of Administrative Hearings[36] which reviews the case and makes the final determination.

If the order is court established and the calculation indicates a change is warranted, the agent prepares a packet with the calculation results and financial data and sends it to the Attorney Generals (AG) office. The AG has 45 days to review the package and determine if a hearing will be held and the Non-Custodial Parent served. The system generates a tickler to the agent 40 days after sending the case to the AG.

If the Non-Custodial Parent contests the proposed change, a hearing is scheduled. The agent notes the request in the system and generates a hearing request form, which is sent to the court. The agent waits for the court's decision and records it in the system when received. The system generates a tickler to the agent after 35 days have elapsed.

If the calculation determines that a change in the order is not warranted, the process is terminated and a notice to both case parties is generated.

If the case is non-TANF and the Custodial Parent (CP) does not respond to the data request, the process is suspended; the system generates a denial letter to both parties. If the CP is a TANF recipient and does not respond, she/he is sanctioned; the system generates a sanction letter to the appropriate Eligibility worker. If the NCP fails to provide the requested information, the process continues. The DSER case agent imputes

[34] The system tracks key time frames and generates ticklers to the worker as milestone dates are reached.

[35] According to DSER officials, approximately 10– 20% of the reviews are contested.

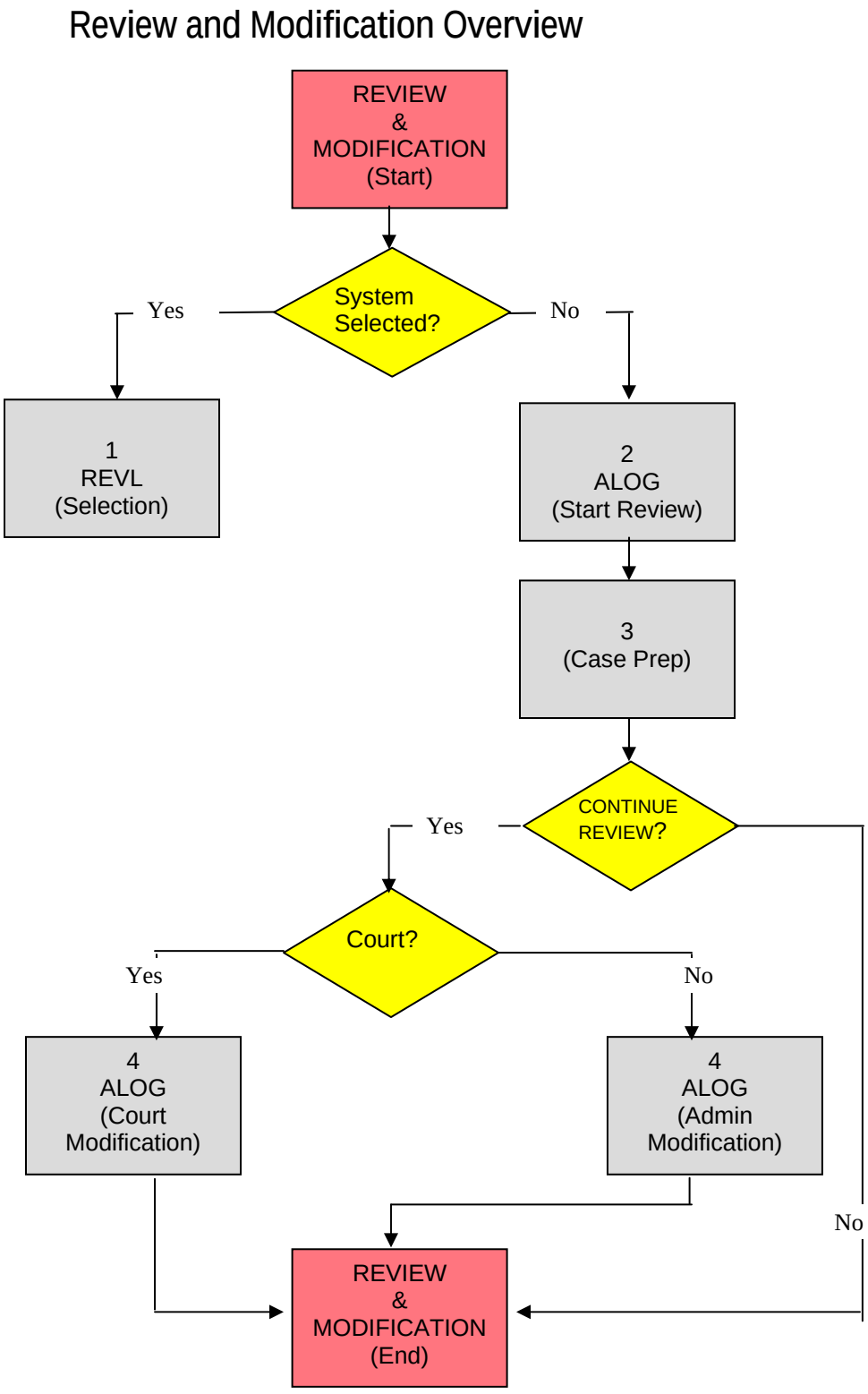
[36] The Office is organized within the Maine Department of Health and Human Services.

an income amount based on the currently available data and average wage statistics for the NCPs occupation and location.

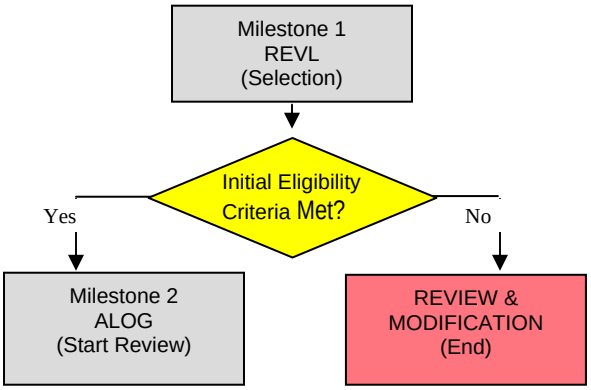
Order Modification

For administrative orders, if neither party contests the review, the modification to the support order is made, a notice is sent to both parties, and a new income withholding form is generated and sent to the employer. For court orders, the agent waits for the results from the AG. The final outcome is recorded in the system.

Process Flowchart

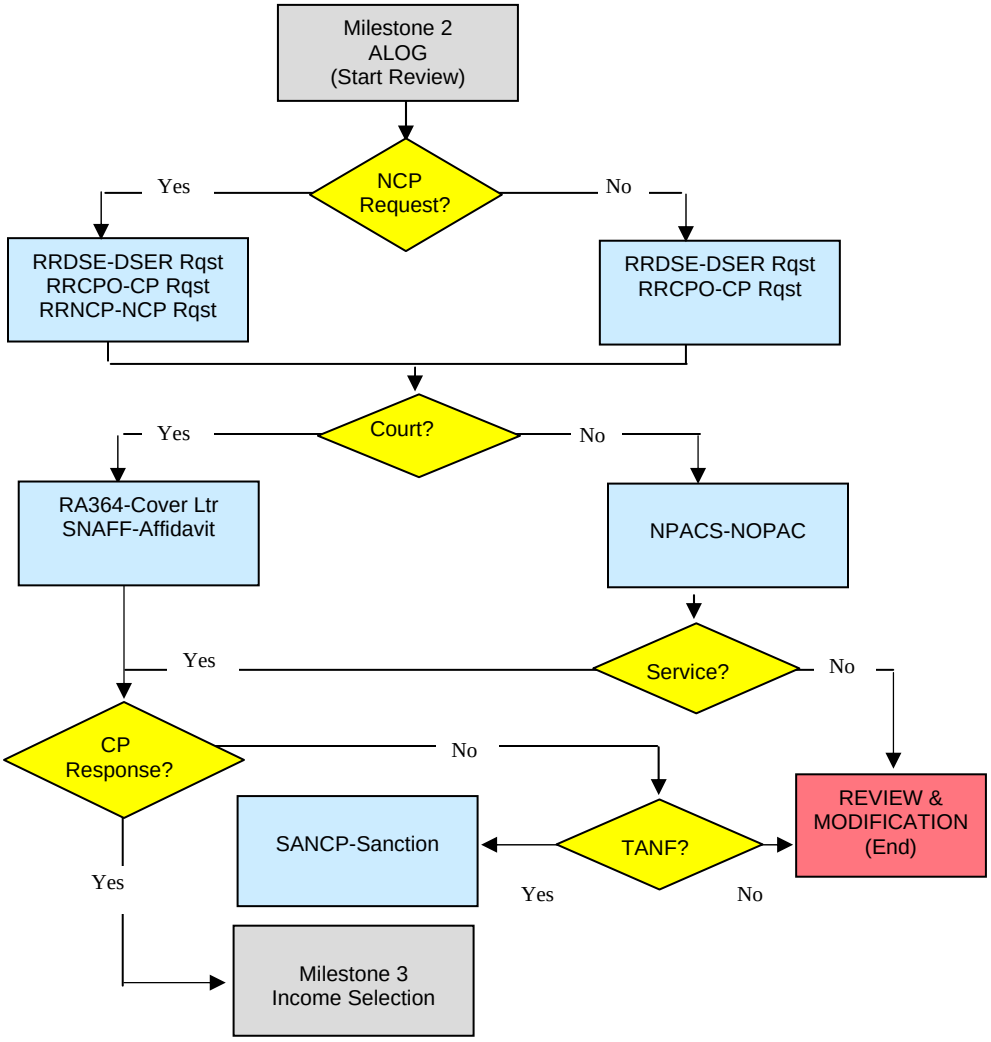


Review and Modification Milestone 1

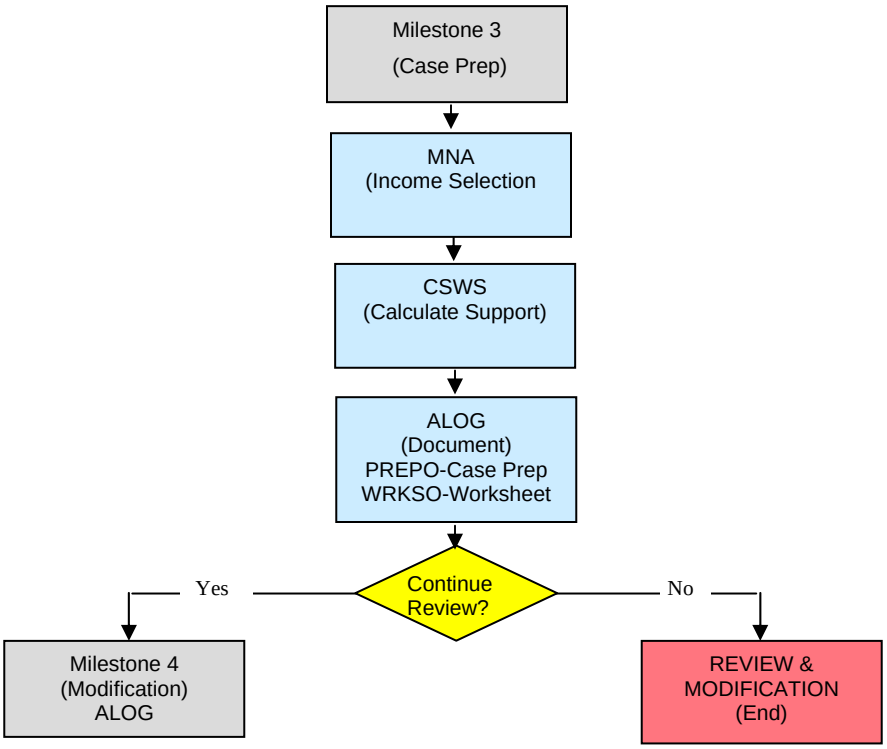


Process must not be terminated at any point without appropriate documentation (Notepad).

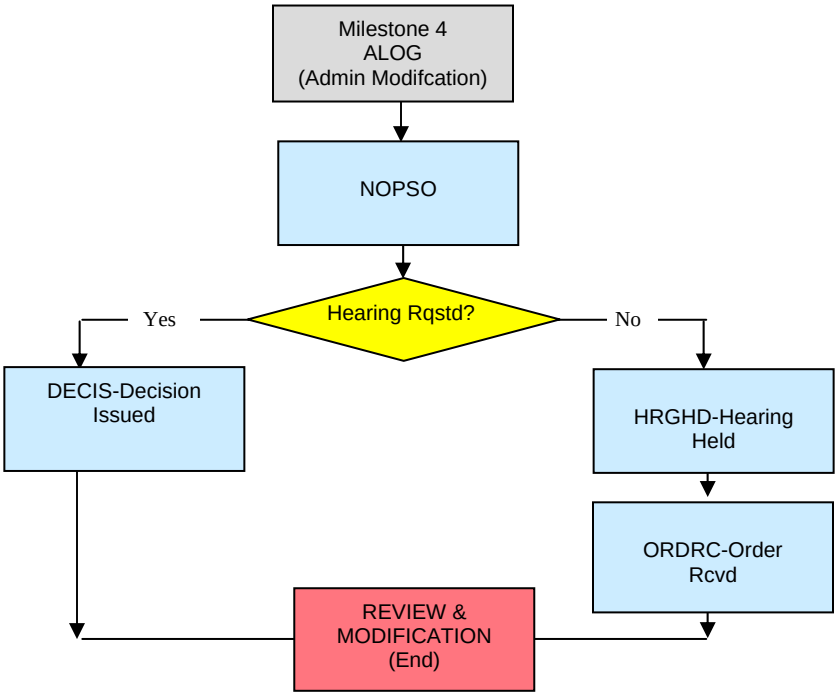
Review and Modification Milestone 2



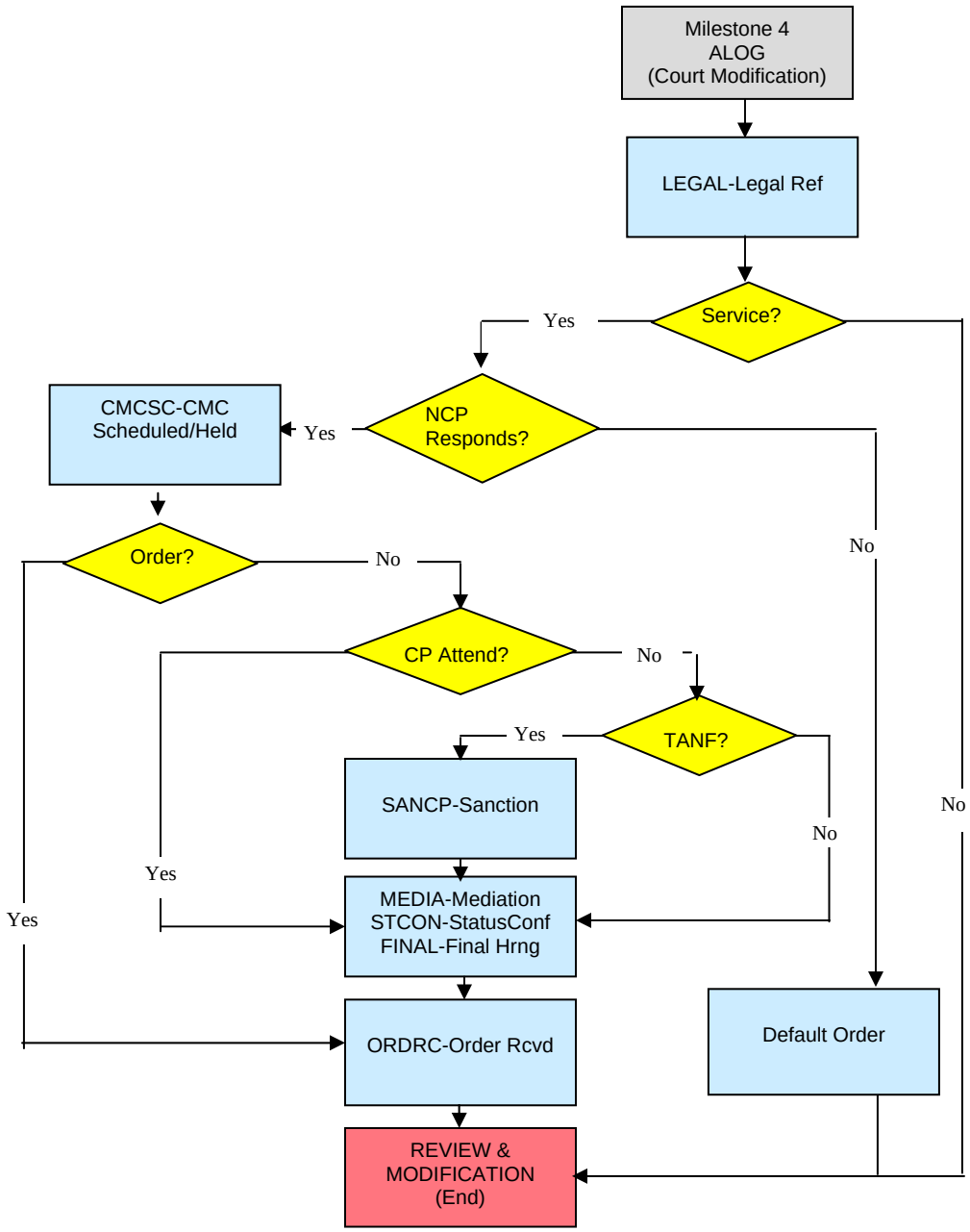
Review and Modification Milestone 3



Review and Modification Milestone 4
Admin Modification



Review and Modification Milestone 4
Court Modification



Automation Process

A Steering Committee composed of staff from DSER, the court system, and the Edmund S. Muskie School of Public Service (MSPS) was created in February 1997 to provide oversight for all phases of the project. The Steering Committee formed a *content* work group responsible for all functional areas of the project requiring subject matter expertise. Over time the content group evolved into the *training* work group.

The content work group was composed of experts knowledgeable about both the administrative and court processes, and also included policy and legal experts, case agents, district supervisors, and court representatives. It developed selection criteria for review and adjustment processes and developed flowcharts of 'ideal' review and adjustment procedure; the flowcharts incorporated manual and automated functions as well as best practices regarding agency administrative and court processing practices. The work group drafted separate flowcharts for (a) automated review, (b) administrative adjustment (some elements automated) and (c) family court adjustment (some elements automated). Throughout the project, these evolving flowcharts guided the programmers developing the automated system.

The work group also identified and documented the appropriate New England Child Support Enforcement (NECSES) legacy mainframe system screens for each step of the process in order to help the eventual programmer attach the newly automated, web-based system to NECSES in a way that would appear "seamless" to case agents using the system. In addition, the work group identified information resources for criteria during each step of the process, including data elements and forms generated by NECSES (at that time) relevant to the proposed system.

A vendor was contracted with to provide system design and implementation services. Some project delays occurred when the Maine Department of Human Service's Contracts Division changed its procurement process to require that programming services be submitted for competitive bidding. Despite this, a vendor was selected and work began by Fall 1999. The vendor designated a project manager but the person was located off-site (at the vendor's headquarters located in a different state); a DSER Project Manager, located on site, was also designated. All of the analytical products produced by the content work group were given to the vendor. Project staff[37] and the vendor scheduled meetings to review draft work products and sign off on interim deliverables.

In order to design a system reflecting the review and adjustment process, the content work group employed a user-focused design process to inform the vendor and to ensure creation of design specifications consistent with end-user needs. The work group met seven times to craft the design, the vendor attending two of the meetings. Between meetings, project staff revised forms and drafted screens and data flow diagrams for review by the Steering Committee and vendor. At a meeting in February 2000, the work

[37] Project staff extended beyond the membership of the content work group to additional individuals involved in the project as needed.

group presented user requirements to the contract vendor; the vendor used the requirements to produce a complete detail design of the system.

The design process included the following steps:

1. Describe the current manual process – project staff used a baseline evaluation matrix description of current manual review and adjustment activities statewide, as reported by agents.
2. Describe court and administrative processes – project staff described, in detail, all decision steps in both court and administrative review and adjustment processes.
3. Graph process steps – project staff created data flow diagrams to depict processes.
4. Detail design specifications – in detail, project staff described the process, the purpose of each step, who/what performs the action, elements that must be present in order to perform the action (screen elements), and controls that best suit the required functions to be performed (system functionality). This final step was completed in conjunction with the vendor.

Project staff and the vendor also completed the following tasks during the design process:

- Identified agencies with capacity to interface with DSER, including the Department of Labor (quarterly wage report, unemployment compensation, annual averages); Workers Compensation Commission, and others.
- Identified agencies without the capacity to interface with DSER at the time of the project, including the Maine Judicial Information System (MEJIS).
- Confirmed internal agency interface development with the welfare mainframe system.
- Reviewed all forms for court and administrative review and adjustment processes; revised forms where necessary.
- Identified which forms will print from the automated system.
- Integrated screen design with other automation efforts, i.e., designing support order and obligation screens to satisfy distribution rules rewrite.

The vendor converted design documents into prototype, web-enabled screens to represent the entire system. Project activities focused on conversion of detailed system design into a prototype, web-enabled system.

Testing was conducted by case agents and supervisors who used scenarios with the prototype and submitted change requests to vendor staff on-site who in turn communicated the changes to programmers off-site. Policy and legal experts were consulted as needed. A series of status reports were generated to illustrate and monitor the prototyping process; the reports tracked adjustments to newly designed

screens/interfaces as the vendor received periodic feedback from DSER. Furthermore, the work group provided feedback using the web-enabled system.

The system includes the following design features:

- Flexible functionality to accommodate different office work flow and staffing configurations
- Key steps in the review and adjustment process -- system design looks like the work it is facilitating
- Key action/decision points in the process -- staff can recognize when action is required
- All data elements found in Maine's child support guidelines and worksheet -- staff can print forms to be produced in court and administrative hearings
- A domestic violence status indicator to preserve confidentiality
- Forms that print directly from the new system providing flexibility for future revisions that is not found in the mainframe portion of Maine's system
- External and internal interfaces that are displayed in two ways: (1) combined into functional screens reflecting key steps for use by staff, and (2) a separate screen per interface "behind" the functional screens for reference by staff

It is important to mention a tool called the Master Activity Chain (MAC). The MAC is essentially a procedural checklist that is composed of a series of related process steps or activities. Future process activities are determined in part by the activities that have already been completed. The system guides the worker to select the appropriate activity and monitors any associated time frame. More importantly, only one activity can be "open" for a case at any point in time.[38] These features ensure that process errors are eliminated and that cases do not "fall through the cracks." It is also a feature that will enhance Maine's ability to critically evaluate the success of the project with a high degree of validity.

The system incorporates a Web-based interface with an Oracle database management system.[39]

The Training Workgroup

The training work group convened in May 2001 and met every two to three weeks into 2002 to document both court and administrative review and adjustment procedures, to develop a curriculum and to design instructional materials for training on the newly

[38] Only one activity for the Review and Adjustment process. Other activities may also be open for other Child Support processes.

[39] Maine DSER has begun a process of migrating its legacy Child Support Enforcement system (mainframe environment) to a Web-based, Oracle DBMS environment. The Review and Adjustment automation effort is one of the initial projects in their migration. Work on the R&A project was delayed a bit in order for the first part of the migration involving the financial module to be completed. DSER's will migrate additional modules as resources permit.

automated system. The task of documenting the procedures became more complicated and time consuming than the group had anticipated, in part because previous work in this area had become relatively obsolete.[40] The group attempted to map out the procedures step by step and then to run those steps on the system test deck, but a multitude of system glitches impeded the process. In addition, policy issues affecting the procedures needed to be clarified or, in more rare instances, established. The group's progress was slowed by changes to system functionality; this situation created the need to repeat testing and often resulted in more revisions.

The training work group originally planned to deliver the training only to supervisors and to the agents and technicians who have review and adjustment responsibilities; later on a new plan was adopted to deliver 10 trainings, one at each district office, to all DSER agents and technicians. Agency officials opted for the expanded training coverage in order to guarantee that all agents had an equal opportunity for job advancement. And, it also created a larger pool of workers for supervisors to draw from for coverage when a review and adjustment agent became unavailable.

Trainers delivered a separate session to all supervisors at their monthly supervisory practice review meeting prior to district trainings. In addition to system use, supervisors were made aware of performance expectations and ways to follow up with staff after they have received training.

Training provided hands-on practice using the system as a tool to complete various procedures. Central to the training is the concept of a case "life cycle," comprised of milestones or decision points in the process with sequential steps in between that correspond with the system's activity and reason codes. The group handed out primary instructional materials that included a glossary of terms, screens and codes, a work flow diagram, and procedures for administrative and court processes. Also included were the Master Activity Chain, a complete forms packet, and a quick reference guide. The workgroup designed a web-based format for future training and follow-up purposes.

The basic training curriculum begins with a flowchart-guided overview of the review and adjustment process and an introduction explaining how these activities fit into the big picture, including Self Assessment categories and federal funding incentives. Agent and technician performance expectations and best practices are interspersed appropriately throughout the session. Participants delve first into the administrative review and adjustment procedure. Trainers walk participants through a basic case scenario: a system-selected case, with one child, one child support worksheet, and no termination. Practice scenarios were derived from the data warehouse. Participants then work through another fairly simple example on their own, followed by a group review and discussion. Trainers guide participants through a more complicated example: a non-system-selected administrative child support order that is less than three years old, with multiple children and child support worksheets and one child either turning twelve years old or emancipating.

[40] This occurred due to a couple of unforeseen events. For example, the Guidelines changed, and the newly established court process was modified more times than first expected.

During the second half of the full-day training, instructors focus on the court review and adjustment procedures, using the same pattern above: first guided and then independent practice with simple to increasingly complex case examples, followed by group review and discussion. Time is provided for a question and answer period, and a list of frequently asked questions will be recorded at each of the ten training sessions. A compiled list of these FAQs and their answers was disseminated to all staff at the end of the trainings.

Lessons Learned and Recommendations

- The vendor was not involved in the initial analysis, such as documenting current processes at the district level and flowcharting. DSER found that it took the vendor some time to understand the user requirements and felt the design process would have gone more smoothly if the vendor was involved in the initial analysis.
- During the initial development period, the vendor did not ask many questions regarding the analysis conducted by the content workgroup. Furthermore, the vendor used a model based on a system in their home state that did not meet Maine's requirements. After the first iteration of the prototype, it was apparent that the vendor did not fully understand the user requirements or the process. As a result, there were multiple iterations of modification and testing which caused the development cycle to last significantly longer than originally planned.[41]
- Initially, vendor staff was completely located off-site in another state. As a result, communication and information exchange was conducted electronically and was not conducive to solving some of the problems related to prototype development. For example, there were problems with versioning control. If done again, DSER would require at least one vendor representative be stationed on-site in Maine at the beginning in order to communicate in person with project staff and system users.

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[41] Maine DSER reports that prototype modification and testing lasted for 2 years.

C. Case Study: State of Minnesota

Review and Adjustment Automation

State of Minnesota
Department of Human Services, Child Support Enforcement Division

State Profile

The Minnesota child support enforcement program is state-supervised and county-administered. The Child Support Enforcement Division (CSED) employs approximately 1,580 FTEs located in the central office and 84 local district offices. The majority of local child support staff and attorneys are employed by county welfare and elected district attorneys' offices.

The State reported collections exceeding $701 million and 244,655 cases in the IV-D system for FY2003. Of these cases, 22% were current TANF, 57% were former TANF, and 21% were never on TANF.[42]

Minnesota guidelines are based on the Percent-of-Obligor Income model. The State calculates the obligation by multiplying the obligor's net income—after certain deductions—to a percentage that increases with income and number of children; the guidelines normally do not consider the custodial parent's income although the obligee's income may be considered when calculating medical support and child care support. In 1999, the Minnesota Supreme Court required the agency switch from an administrative to an expedited judicial process to establish and modify awards.

Almost all Minnesota orders are adjusted every two years with COLA. Reviews will be considered upon the request of a parent. However, the child support agency may initiate the review in some cases. If the IV-D agency is not able to do the review, the participant is encouraged to obtain pro se documents to complete the review. Modifications are processed if there is a change of at least 20% and $50.00 or if a significant change in circumstances is demonstrated. Criteria for demonstrating a change in circumstances are as follows:

- the earnings of the obligor or obligee have substantially increased or decreased
- the needs of the child(ren) have substantially increased or decreased
- the cost-of-living as measured by the Federal Bureau of Vital Statistics has changed
- the child(ren) have extraordinary medical expenses not covered by insurance
- there has been a substantial change in child care expenses

[42] Statistical data from the FY2003 State Box Scores on the OCSE website.

- if the order is currently expressed in a percentage, there can be a review to have the order expressed as a dollar amount

The primary Child Support application is the mainframe computer system known as Providing Resources to Improve Support in Minnesota (PRISM); it is certified for the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA).

Background

The Cost-of-Living Adjustment (COLA) rule for child support was introduced in the legislature as a program bill in the 1982 session. It passed and was implemented in 1983. The legislation was a response to concerns that child support orders were old and low, and that it was not possible for IV-D to review and adjust every order. COLAs acknowledge, without going to court, that the cost of raising children increases over time along with the Non-Custodial Parent's income. In 1988, the COLA statute was modified to include spousal maintenance obligations.

According to IV-D staff, the bill was fairly non-controversial. The State had a progressive track record with child support legislation, becoming the first State to statutorily enact child support guidelines. The original bill proposed a yearly COLA, but the legislature determined that a two-year COLA was consistent with the goal of keeping orders in line with inflation. The State purposely made COLAs automatic for both TANF and non-TANF cases; IV-D staff was concerned about the possibility of domestic violence and suggested that non-custodial parents might be less likely to blame the custodial parent for the COLA if it was automatic and not explicitly requested. There has been no effort to change the policy since the bill was adopted.

COLA differs from traditional court modification because traditional modifications are based upon the change in circumstances of the parties or the child while COLA adjusts support to reflect inflation. One method does not replace the other as they are based on different criteria. Cost-of-living adjustments are also compounded; the calculation is applied to the current amount of support.

The court may waive the COLA if it finds that the obligor's occupation and/or income have not increased consistent with the measure of inflation, if the spousal maintenance or child support order provides for incremental increases separate from the COLA process, or when the parties agree to waive COLA in a spousal maintenance case.

Both parties are notified about the COLA provision at the time support is ordered. Form 3 Appendix A, an attachment to the support order, states:

> Child support and/or spousal maintenance may be adjusted every two years based upon a change in the cost-of-living [using the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index Mpls., St. Paul for all urban consumers (CPI-U, unless otherwise specified in this order)] when the conditions of Minnesota Statute, Section 518.641, are met. Cost-of-living increases are

> compounded. A copy of Minnesota Statutes, Section 518.641, and forms necessary to request or contest a cost-of-living adjustment are available from any court administrator.

Minnesota Child Support (CS) has presented a proposal to switch the calculation to the Income Shares model, but the State legislature has not approved the proposal yet. Minnesota CSE reports that a switch to the Income Shares method would not impact the automated COLA process.

Minnesota's review and adjustment process is identical for custodial and non-custodial parents, welfare and non-welfare cases, and upward and downward modifications.

When a case is being reviewed, IV-D workers consider several sources of available information to determine whether an adjustment of the court order is warranted. They examine wage match data from the State Department of Employment Security, new hire reporting data, employer verification information, and tax reporting data, and also request financial information from both parents.

When a review indicates that a new court order is appropriate, the local office sends both parents a notice and a copy of the proposed order. One or both of the parties can request a meeting if they do not agree with the proposed order. If the parents do not respond within 30 days, the proposed court order goes into effect. No court appearances are required. If both parents do not agree to the proposed court order, a hearing before an administrative law judge is scheduled. About 20 percent of the proposed child support adjustments are resolved by these administrative law judges.

Minnesota requires that health insurance be considered on every case. The package used when requesting information from the employer on court order reviews specifically asks for health insurance availability. The Hennepin County IV-D office no longer pursues adjustments for medical insurance only because their administrative law judges will not do stand-alone issues for adjustments.

Since July 1993, Minnesota pays an incentive to its local IV-D offices of $100 for every new support order established, support order reviewed, and paternity established, and $50 for each child covered under a non-custodial parent's health plan. In SFY 1997, Minnesota paid its counties $370,800 in incentives for their reviews of court order reviews, an increase from $351,500 in SFY 1996.

A 1996 report prepared by Hennepin County for the Federal Government Performance Results Act of 1993 evaluated the first 30 months of the incentive program in Hennepin County compared to the years immediately prior. The study shows a substantial increase in the number of court order modifications. Comparing the 42 months prior to the incentives to the 30 months subsequent to their introduction, Hennepin County modified

1,596 cases after incentives were introduced versus 204 done from 1990 to mid-1993. More than 70 percent of the modifications adjusted welfare cases.[43]

State Statute

Minnesota Statute 518.641 Cost-of-living adjustments in maintenance or child support order.

Subdivision 1. Requirement. (a) An order establishing, modifying, or enforcing maintenance or child support shall provide for a biennial adjustment in the amount to be paid based on a change in the cost-of-living. An order that provides for a cost-of-living adjustment shall specify the cost-of-living index to be applied and the date on which the cost-of-living adjustment shall become effective. The court may use the Consumer Price Index for all urban consumers, Minneapolis-St. Paul (CPI-U), the Consumer Price Index for wage earners and clerical staff, Minneapolis-St. Paul (CPI-W), or another cost-of-living index published by the Department of Labor which it specifically finds is more appropriate. Cost-of-living increases under this section shall be compounded. The court may also increase the amount by more than the cost-of-living adjustment by agreement of the parties or by making further findings.

(b) The adjustment becomes effective on the first of May of the year in which it is made, for cases in which payment is made to the public authority. For cases in which payment is not made to the public authority, application for an adjustment may be made in any month but no application for an adjustment may be made sooner than two years after the date of the dissolution decree. A court may waive the requirement of the cost-of-living clause if it expressly finds that the obligor's occupation or income, or both, does not provide for cost-of-living adjustment or that the order for maintenance or child support has a provision such as a step increase that has the effect of a cost-of-living clause. The court may waive a cost-of-living adjustment in a maintenance order if the parties so agree in writing. The commissioner of human services may promulgate rules for child support adjustments under this section in accordance with the rulemaking provisions of chapter 14. Notice of this statute must comply with section 518.68, subdivision 2.

Subd. 2. Notice. No adjustment under this section may be made unless the order provides for it and the public authority or the obligee, if the obligee is requesting the cost-of-living adjustment, sends notice of the intended adjustment to the obligor at the obligor's last known address at least 20 days before the effective date of the adjustment. The notice shall inform the obligor of the date on which the adjustment will become effective and the procedures for contesting the adjustment.

[43] Information regarding the Review and Adjustment process extracted from the HHS Office of Inspector General report "**Review and Adjustment of Support Orders: Experience in Ten States.**"

Subd. 2a. Procedures for contesting adjustment. (a) To contest cost-of-living adjustments initiated by the public authority or an obligee who has applied for or is receiving child support and maintenance collection services from the public authority, other than income withholding only services, the obligor, before the effective date of the adjustment, must:

(1) file a motion contesting the cost-of-living adjustment with the court administrator; and

(2) serve the motion by first-class mail on the public authority and the obligee.

The hearing shall take place in the expedited child support process as governed by section 484.702.

(b) To contest cost-of-living adjustments initiated by an obligee who is not receiving child support and maintenance collection services from the public authority, or for an obligee who receives income withholding only services from the public authority, the obligor must, before the effective date of the adjustment:

(1) file a motion contesting the cost-of-living adjustment with the court administrator; and

(2) serve the motion by first-class mail on the obligee.

The hearing shall take place in district court.

(c) Upon receipt of a motion contesting the cost-of-living adjustment, the cost-of-living adjustment shall be stayed pending further order of the court.

(d) The court administrator shall make available pro se motion forms for contesting a cost-of-living adjustment under this subdivision.

Subd. 3. Result of hearing. If, at a hearing pursuant to this section, the obligor establishes an insufficient cost-of-living or other increase in income that prevents fulfillment of the adjusted maintenance or child support obligation, the court or child support magistrate may direct that all or part of the adjustment not take effect. If, at the hearing, the obligor does not establish this insufficient increase in income, the adjustment shall take effect as of the date it would have become effective had no hearing been requested.

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Business Process

In Minnesota, the review and adjustment process as required by 45 CFR 303.8 commences:

- upon request of either party
- when a case is identified for a biennial system generated Cost-of-Living Adjustment, or
- when a substantial change of circumstances has been identified making the terms of the support order unreasonable or unfair

All participants with open cases receive a notice once every 36 months of the right to have their order reviewed. It is Minnesota's policy to review a case within 15 days of a request.

There are two methods under which court-ordered support obligations may be changed:

- A motion for modification under Minnesota Statutes, section 518.64, subdivision 2, or
- A Cost-of-Living Adjustment under Minnesota Statutes, section 518.641

The COLA process has been refined but not changed since 1983. It has been fully automated in PRISM, the Child Support information system, since October 1997. Previously, some of the COLA processes were automated but not all. Through this automation effort, Minnesota CS has minimized the need for direct involvement by county level Child Support Officers (CSO), although CSO's may be required to intervene in special circumstances. CSO's report that they spend minutes on COLA issues rather than hours since full automation.

The majority of cases on PRISM receive an automated COLA biennially. However, cost of living adjustments are not guaranteed; they must be designated in the court order. The statute requires the following:

- Court orders must specify which CPI to use to calculate the COLA and the date the COLA becomes effective. This is usually in Appendix A of the court order.
- The public agency or custodial parent must notify the non-custodial parent by mail at least 20 days before the effective date of the COLA.
- The COLA will take effect unless the non-custodial parent files a motion to stay the COLA. The non-custodial parent must file the motion before the effective date of the COLA.
- The effective date of the COLA is May 1 for child and spousal support payments public agencies are enforcing, unless the court orders otherwise.

The court might waive the COLA requirement and do any of the following instead:

- Provide for an increase greater than a COLA, either by making further findings or by agreement of the parties.
- Waive COLA if it finds the non-custodial parent's occupation or income does not provide for cost-of-living increases.
- Waive COLA by a provision, such as a step increase, that has the effect of a COLA.

Custodial parents may initiate their own COLA any month after two years from the court order if the non-custodial parent is paying support directly to the custodial parent, or if the IV-D case is for payment monitoring only, or if the case is non-IV-D and the non-custodial parent is paying through the IV-D agency. The Legislative Commission on the Economic Status of Women provides the custodial parent assistance if required.

PRISM automatically generates a notice informing the custodial and non-custodial parents of the upcoming COLA; motions to stay the COLA (i.e., the appeal process) can be initiated by either party and the paperwork must be filed by April 30th or the COLA will go into effect. The system also generates a notice in mid-April informing the employer of the new support amount effective May 1. The notice is sent prior to the effective date to allow time for adjustment of the withholding prior to the first paycheck in May.

Child Support Officers are responsible for monitoring and performing maintenance on electronic records to ensure that COLA-eligible cases are processed correctly by PRISM. Some cases require editing (for example, applying a different code) before the COLA can be applied. The automated process is driven by deadlines for record review, record maintenance, and response by case parties. The COLA will be postponed until the following year if some deadlines are not met.[44]

The COLA process is initiated in mid-January when local county CSO's receive several reports from State administrative staff that identify cases eligible for the COLA and case records that require review and potential maintenance. As soon as January Consumer Price Index figures are available for the COLA year, the state office updates PRISM with those figures and the state notifies the counties so that they may proceed with calculating COLA on any cases that require manual intervention. CSO's perform record maintenance during February and March.

[44] The Minnesota legislature adopted a strict timeframe for CP and NCP review; case parties are required to have 23 days from the date that a notice is sent to review and react to the pending COLA. Given that COLAs are applied as of May 1st, the COLA could potentially be postponed if case parties are not provided enough time to respond to the notification.

Next, PRISM performs the following automated steps:

1. Selects COLA-eligible cases, usually around the end of March. (Refer to the table below that describes the selection criteria used by PRISM.)
2. Calculates the COLA amount for the cases it selects, and generates and sends notice of the pending adjustment to case parties and employers.
    a. Current year Consumer Price Indexes are used.
    b. The program calculates the amount of the COLA increase. The code in the COLA Index Code field identifies which Consumer Price Index (CPI) to apply.[45]
    c. PRISM generates notices, which are mailed at least 23 days before May 1st.
        i. Notice of Cost-of-Living Adjustment (COLA) (F0655 and F0656) to the custodial and non-custodial parents. The State also sends a copy of the NCP notice and calculation sheet for the file to the District Court of the court order county.
        ii. Notice of Income Withholding to Payor of Funds (F0023) to employers if income withholding is in place. The State mails an identical notice to each payor of funds if multiple active payors of funds are on the case.
        iii. Notice of Increase in Child Support (F0657) to other jurisdictions. All interstate cases receive notification of the change in current support.[46]
3. Creates activity items on the Case Activities by Date (CAAD) and the Case Activities by Type (CAAT) screens for the selected cases.
    a. PRISM creates “activities” on the Case History by Date and Case Activities by Type screens to document the COLA selection process.
        i. COLA CANDIDATE - SYSTEM SELECTION - the narrative section on this activity indicates the date the NCP and CP notices were created.
        ii. NOTICE OF INCREASE IN CHILD SUPPORT (OTHER STATE) for the Notice of Increase in Child Support.
        iii. POF NOTICE CREATED FOR PAYOR OF FUNDS for the Notice of Increase in Child Support Withholding.

[45] The CPI-U index is the standard rate applied to COLAs unless the court has designated a different index to use.
[46] Interstate cases do not require manual process intervention by Case Officers. There is an additional process step involved for these cases, but it has been automated.

4. If appropriate, updates the case with the higher child support amount effective May 1 in the COLA year and updates any other cases with future effective dates in the COLA year.
    a. PRISM will update the obligation with the new current support amount in the middle of April with an effective date of May 1st of the COLA year. PRISM will also update obligations with a future effective date other than May 1 of the COLA year. Conditions for update are as follows:
        i. PRISM will update the NCP Obligation Detail screen effective May 1st and update cases with a future effective date if the case status is open and the obligation is the same amount that was stated in the NCP notice. If the obligation is not the same as the amount stated in the NCP Notice, PRISM will create the work list item - OBLIGATION CHANGED COULD NOT UPDATE COLA AMOUNTS. The Child Support Officer must review these cases so the correct amount changes on May 1st or on any future effective date.
        ii. PRISM updates obligations on the NCP Obligation Detail screen, creates a COLA PROCESS COMPLETED activity on the Case Activities by Date screen to document the adjustment, and changes the COLA Status Code to COM (completed COLA adjustment) on the Cost-of-Living Adjustment Detail screen.
5. Prints reports of cases the system processed for COLA.
    a. The State sends counties the COLA Potential Update Detail and the COLA Update Summary by Worker reports.

The following table lists fields that the program reviews, and what codes must be in those fields for the program to select a case for COLA.

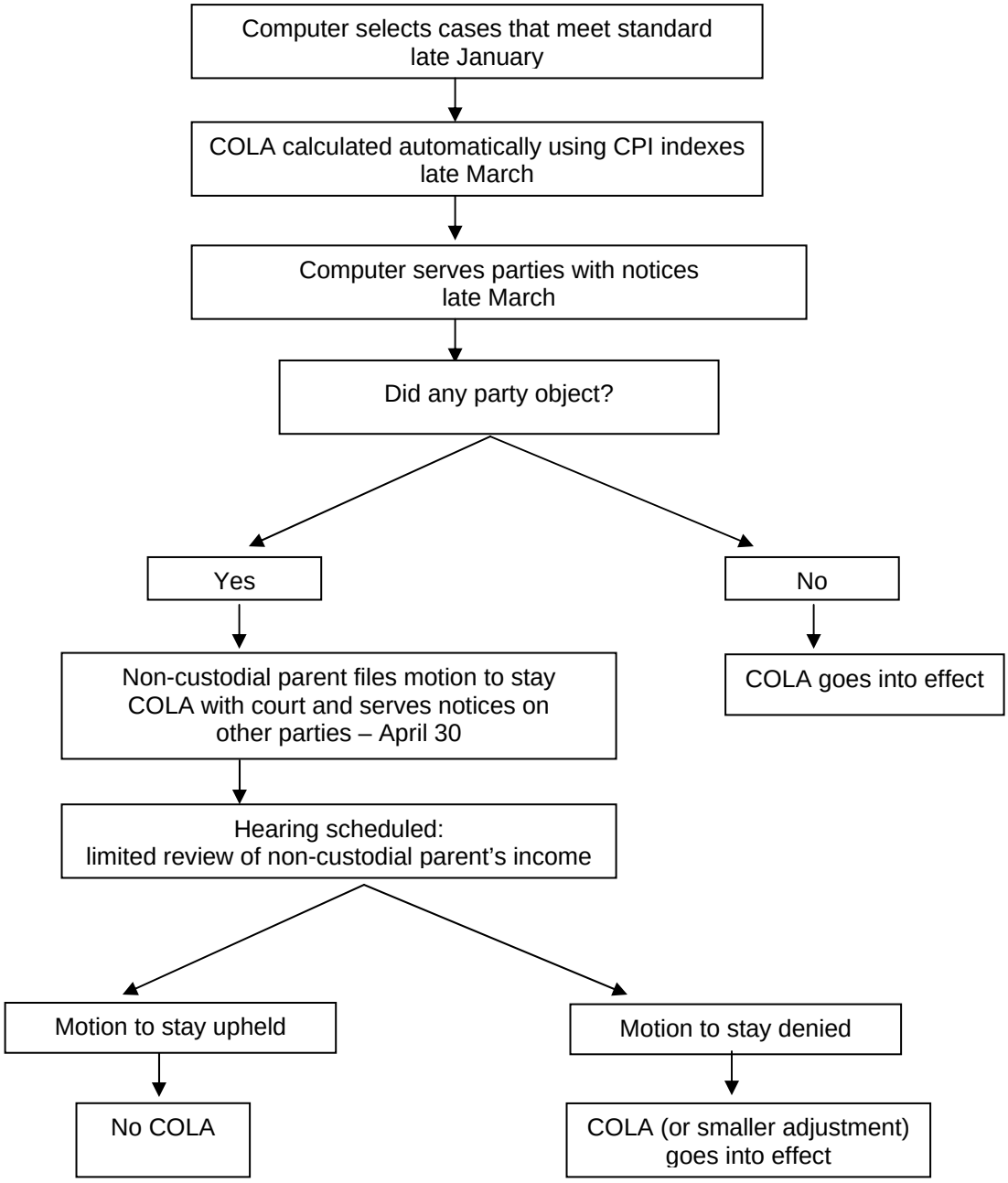
Field	**Screen**	**Valid Codes**
Case Status	Case Status	STATUS - Open Non IV-D Exists - No NCP MCI must have a number (NCP must be known)
Address Type	NCP Address Detail (NCDD)	M Mailing address R Residential address The program will not do COLA if there is no Address History for the NCP/obligor on PRISM. COLA will run if there is no current address but there is a previous address.
COLA Effective Date	Support Order Detail (SUOD)	Date must be between January 1 of the calendar year two years

Field	Screen	Valid Codes
		before the year of adjustment and August 1, 1983, for child support or August 1, 1988, for spousal support.
COLA Index Code	Support Order Detail (SUOD)	A CPI-U Mpls/St. Paul B CPI-U All cities D CPI-W Mpls/St. Paul E CPI-W All cities
Monthly Accrual	NCP Obligation Detail (NCOD)	Amount must be an active obligation greater than zero. Must be Obligation Type CCH and/or CSP.
Good Cause	Good Cause Safety Concerns (GCSC)	No good cause granted or pending.
Other FIPS	Support Order Detail (SUOD)	Must have State FIPS of 27 (Minnesota).

The CSO has the ability to stop the case record/support order update in the following situations:

- The non-custodial parent files a motion to proceed to stay the COLA. This is only a temporary "stop" pending a hearing.
    - NOTE: The COLA process is not stopped if the custodial parent files a motion to stay the COLA. Minnesota Statutes only allow for a stay if the obligor has filed a motion to stay the COLA.
- The notice should not have gone out in the first place.
- The support order is not a Minnesota order.
- A court order modifies the terms of the order after the notices have gone out.

Process Flowchart



Automation Process

The automation process is comprised of sequential job batches run at predetermined times during the first five months of the year. The CSE program and IT staff meet to schedule run dates and establish response deadlines in December of the previous year. Manual intervention in the process is very limited and occurs predominately at the beginning when record maintenance is performed. The batch programs were developed and enhanced over a number of years, and continue to be modified as needed. The first routines were developed during the 1980's when the COLA method was initially implemented.

The Court charged Minnesota Child Support with full responsibility for administering the process. Furthermore, there isn't court involvement unless the non-custodial parent contests the COLA. Since the COLA process is purely administrative, court administrator staff did not participate in the automation design process.

The series of programs that comprise the COLA feature, like PRISM, are programmed in Natural Programming language. PRISM uses an ADABAS database system.

Training is primarily a one-on-one process with an experienced worker. New county-level staff receive an overview of the COLA process and the automated features during new-worker orientation. Detailed training in the process occurs with an experienced worker at the county level during the COLA period. In addition, Minnesota Child Support offers State staff resources to counties that request on-site training on an as-needed basis. Child Support also operates a Help Desk to assist staff with specific questions.[47]

Challenges and Solutions

- Systems and program staff are annually challenged to meet the due dates for running the series of jobs that comprise the COLA process. Counties need to be aware of deadlines and response times for making corrections in the system (as needed) in order for some jobs to be initiated. Delays at the county level can cause some COLAs to be postponed until the following year.

Lessons Learned and Recommendations

- The system is efficient because strict timelines and deadlines are enforced. Minnesota administrators expressed the belief that process efficiency would decrease dramatically if "rolling" deadlines were applied. Process efficiency is maximized by running the process once a year and by adhering to firm deadlines. Additional resources would be required if either of these variables were to be changed.

[47] Help desk staff reported during a roundtable discussion that workers generally ask more questions about the Appeal process than they do with the COLA process.

- Employers need to be given adequate notice prior to the COLA effective date so that the new support amount is deducted from the first paycheck issued in May. Otherwise, the missed deduction would need to be recovered in the following paycheck. Some employers may not be willing to do that, resulting in an increase of arrears.
- There are slightly more contests to the COLA during downward economic cycles, but not a large volume overall.
- Some states have hesitated enforcing a COLA-related increase in support for an NCP living in their state with a Minnesota order.

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D. Case Study: State of Vermont

Review and Adjustment Automation

State of Vermont
Department of Human Services, Office of Child Support

State Profile

Vermont Child Support is a state administered, state operated program that encompasses a caseload of over 25,500 cases and support collections exceeding $53 million dollars in State Fiscal year 2003. The Office of Child Support (OCS) is staffed with approximately 125 employees, and serves its customers through 5 regional offices located in the Southeast, Southwest, Central, Northeast, and Northwest sections of the state. These offices are staffed with child support specialists, paralegals, attorneys, supervisors, and support staff.

Vermont establishes, enforces and modifies spousal as well as child maintenance orders, and uses the Shared Income Model[48] to calculate support obligations. Reviews are conducted every three years for TANF cases and at the request of either non-TANF case party. Modifications are processed if there is a 10% or more change in the current support amount or if a significant change in circumstances is demonstrated. Criteria for demonstrating a change in circumstances are as follows:

- the earnings of the obligor or obligee have substantially increased or decreased
- the needs of the child(ren) have substantially increased or decreased
- the child(ren) have extraordinary medical expenses not covered by insurance
- there has been a substantial change in child care expenses

The primary Child Support application is the mainframe computer system known as Advanced Computer Controlled Essential Services Software (ACCESS); it is certified for the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA). The system is fully integrated with the ability to generate documents and perform tracking of cases in line with the Federal processing guidelines and state policy and procedure. ACCESS supports multiple human services programs such as: Reach-Up Family Assistance (TANF), Food Stamps, Medicaid, and Child Support. Other

[48] The income of both the obligor and obligee are considered. The model is based on standardized net income and includes adjustments for actual child care expenses, the child's health care expenses, a low income allowance for the obligor, shared and split physical custody, and the obligor's additional dependents.

technologies utilized to support the review and adjustment process include an employer interactive website and a document imaging system for storage and retrieval of case file documents.

Background

In 1997, the Vermont Office of Child Support received a grant from the Federal Office of Child Support Enforcement to develop a more efficient and streamlined method of reviewing and adjusting child support orders. The demonstration project sought to make comprehensive improvements to the existing review and adjustment process. OCS identified the review and adjustment process as a good candidate for improved automation despite previous technical upgrades and automation enhancements to ACCESS because it found that the existing review and adjustment process was labor intensive and somewhat inefficient. Several reasons were identified, including:

- There wasn't a consistent method for selecting cases for review and potential adjustment. More often than not the process was initiated by one of the case parties or by a caseworker who happened to come across some financial information that indicated a review was needed.
- The mainframe system lacked the ability to electronically access income information, so data collection was a prohibitive factor.
- Vermont did not issue administrative orders; rather, all child support orders were issued by the Family Court, which maintains exclusive jurisdiction over any child support related matter.

As a consequence, the review and adjustment process had become time consuming -- from obtaining the necessary financial information from the parties to filing the request in court and awaiting disposition of the case on an often over-crowded court docket.

OCS made several attempts to plan and design a revised process that would not only expedite adjustments but would also create more consistency in terms of the manner in which cases were selected for review while fulfilling the case review requirements enacted in the PRWORA legislation. At the outset OCS wanted to implement an automated tool that would use income information from sources such as the Vermont Department of Taxes and the National Directory of New Hires, which contain wage data from all states, in order to make appropriate selection of cases for review and support a fully automated administrative process for review and adjustment. Program administrators also wanted to institute a less complex calculation guideline than the Income Shares model. The plan was not realized because OCS was unable to gain electronic access to the Vermont Department of Taxes income data.

OCS subsequently altered the plan by proposing the use of a Cost-of-Living Adjustment (COLA) method and a simplified Income Shares model to calculate payment amount. In preparation, OCS reviewed case files and collected data to determine what changes, if any, to support amounts would occur if a simplified model was implemented. Staff also conducted a user survey to assess the strengths and weaknesses of the existing calculation

guideline, and they held several focus groups with parents who had previously participated in the adjustment process in order to assess what other improvements could be made. OCS administrators then developed a legislative proposal to conduct a pilot using the COLA method along with the simplified guideline model. However, the effort failed after the 2000 Vermont legislature did not act on the proposal. The same proposal was resubmitted in the 2001 sessions and met similar results. In 2002, OCS revised the plan by drafting a stand-alone COLA proposal but the legislature also elected not to approve that idea.

After several failed attempts to redesign the process, OCS reworked their automation plan again, this time targeting modifications to the existing review process, upgrading ACCESS to automate case tracking and automatic notice generation, and redesigning the child support guidelines computer program[49] that calculates the child support obligation. OCS also elected to upgrade their existing Employer website to enable employers to electronically edit account information that was maintained in ACCESS, send notification when employees were hired or terminated, and communicate other child support related information and notices.

Since the new plan did not require legislative approval, OCS identified preliminary system requirements and then elected to contract the work out. An RFP was released and a private vendor was awarded the contract in December 2002; analysis, design and implementation commenced soon after.

State Statute

All Vermont child support orders contain the following language regarding adjustment of child support obligations:

A PARTY HAS THE RIGHT TO SEEK MODIFICATION OF THE ORDER BY FILING AN ACTION IN COURT
A party has the right to request a modification of the child support order based upon a real, substantiated, unanticipated change of circumstance or if the support amount has not been modified by the court for at least three years from the date of the last order.

Vermont codified the standard for review and adjustment of child support orders in several state statutes. Specifically, 15 VSA §660 addresses modifications described in the paragraph above. In addition to a change in circumstances and the three-year provision, Vermont law further defines a "change in circumstances" for purposes of modification, as a variation of more than ten percent from the amount required to be paid under the

[49] This would require cooperation with the Vermont Court Administrator's office that historically had maintained the application.

support guideline, receipt of worker's compensation, unemployment compensation or disability benefits.[50]

Vermont has also addressed the specific factors that shall be considered during the establishment or adjustment of a child support obligation. Under 15 VSA §659, if the court finds that application of the guidelines is unfair to the child or to any parties, the court may adjust the amount of child support by examining the following factors:

1. The financial resources of the child.
2. The financial resources of the custodial parent.
3. The standard of living the child would have enjoyed had the marital relationship not been discontinued.
4. The physical and emotional condition of the child.
5. The educational needs of the child.
6. The financial resources and needs of the non-custodial parent.
7. Inflation.
8. The costs of meeting the education needs of either parent, if the costs are incurred for the purpose of increasing the earning capacity of the parent.
9. Extraordinary travel and other travel-related expenses incurred in exercising the right to parent-child contact.
10. Any other factors the court finds relevant.

Other laws establish the procedure for determining a support amount when the parents share custody of the child(ren). Under 15 VSA §657, when each parent shares physical custody for 30 percent or more of a calendar year, the support obligation must be adjusted to reflect the additional costs of maintaining two households. 15 VSA §656 ensures that a low income non-custodial parent has an adequate amount of available income left after the child support obligation is deducted, and 15 VSA §656a provides for an adjustment of the child support amount if the non-custodial parent is responsible for additional dependents.

Business Process

ACCESS incorporates a case tracking component. For each action or process that a IV-D agency may make on a case, there is an associated "track" that automatically monitors Federal timeframes for that process. As an action proceeds and time passes, automated reminder messages are sent to the appropriate worker to move the case along to the next step.

The Case Review track comprises four steps: 1) Obtain information from Other State Agency (OSA) / parties; 2) Perform case review; 3) Non-cooperation; and 4) Track

[50] Automated data collection is only available for wage information. A worker manually collects information about unemployment compensation, workers compensation, and disability benefits.

evaluation. A "case owner" has primary responsibility and oversight for the case, including the review process. There may be one or more additional "process owners" that are involved in the review and adjustment process. The automated process is designed to require a caseworker to examine each case selected for review to determine if a review or adjustment is warranted. This is because the family courts in Vermont consider many different factors in establishing, enforcing and modifying child support amounts. Once the worker has examined the basic information[51] within ACCESS, he or she will decide to proceed with the review process and move the case forward in the review track or end the review process.

There are currently 3 ways in which a case may be selected for review and adjustment and placed in the case review track:

- If requested by a customer. Vermont includes "right to review" language within notices that are programmed to be sent periodically to parties in IV-D cases. Custodial and non-custodial parents receive annual statements of child support receipts in January of each year.
- If wage information indicates that an adjustment of the obligation is appropriate, or
- If the order has not been reviewed in three years.

Customer Request - When a IV-D customer contacts OCS to initiate a review, a mechanism is in place to automatically place the case into the Review "track" and to send an automated message to the assigned caseworker. Automated case tracking for the review is engaged, workers are notified as appropriate for the situation, and separate notices are automatically generated. The notices are sent to the parties in the case, providing them information about the role that OCS will take during the review process and what is involved if more than one state is involved, directing them to submit complete financial and health insurance information, and outlining the three standards for review.

If the case is classified public assistance[52] and the worker determines a review and adjustment of the child support order is appropriate, or if the non-public assistance applicant provides OCS with permission to proceed, the case is moved to the next step in the process.

Wage Data Match – ACCESS receives Quarterly Wage data from the Department of Employment and Training and stores the income data for both custodial and non-custodial parents. The system runs a matching program that compares reported wage data with a non-custodial parent's total child support obligation.[53] The criteria used to identify potential cases include:

[51] Basic information may include the existing obligation amount, any reported wages/income from the wage interface, any relevant case notes that might explain the change in circumstances, or whether the number of minor children has changed (e.g., the oldest child has now graduated from high school and is no longer subject to child support.)

[52] OCS has three categories of cases: Public Assistance (PA), Non-Public Assistance (NPA), and Non-IV-D (Registry) cases.

[53] The non-custodial parent must have at least 4 quarters of reported wage data in the last two years and no involvement with the state unemployment system for the last 6 months.

- Cases selected must be active (not closed or arrears only)
- Cases must be IV-D cases – public assistance, non-public assistance, Medical Support only or IV-E
- Cases must have an obligation, and
- Cases must not already be in a track within the ACCESS system.

If the comparison indicates that a monthly obligation is more than 50% of the total reported wages, the assumption is that the obligation may need to be reduced and the case will be selected for possible review of the order. Similarly, if the comparison indicates that a monthly obligation is less than 10% of the total reported monthly wages, the assumption is that the obligation may need to be increased.[54]

Cases are selected for review and assigned to the worker automatically. Because caseworkers receive automated case referrals for cases that meet other enforcement criteria as well, such as enforcement and adjustment, OCS set a threshold for the number of cases that would be selected for review and adjustment per month. A workload assessment was completed and it was determined that approximately ten cases per month should be selected per caseworker, for a total of 200 cases per month. Wage data matching transactions occur as part of a monthly system processing.

Three-Year Review – Vermont's system contains and tracks various data elements that correspond to the child support order in each case. These include the legal date of order, the effective date, and the date the order was signed.[55] In order to accurately track cases for the three-year timeline, a program was initialized across all IV-D cases to evaluate the "last review date" and enhanced so that each case will be selected for review 35 months after the last review date or the signed date of the order, whichever is later. Once selected, the case will automatically be placed in a review track.

After completion of Step 1, the case begins the "Perform case review" step. A Notice of Intent to Review is automatically generated and sent to all involved parties. If both parties return their financial data, the caseworker calculates the new obligation using the Vermont Child Support Guidelines[56] application (refer to the Exhibits section for the screen picture). If one or both parties fail to return the financial data, the caseworker attempts to use financial data found in ACCESS.

After completing the case review phase, the caseworker ends the review process by moving the case forward into the final track step known as "Track Evaluation." There are

[54] Either threshold percentage can be adjusted by OCS.

[55] The Legal Date of the order is the first month that can legally be charged support under the order; the Effective Date is the first month in which Vermont starts charging support under the order in the system, and the Sign Date is the actual date the order was signed by the Magistrate or Judge.

[56] The Guidelines application requires that the OCS worker be logged into the ACCESS mainframe in order for case and calculation data to be uploaded and downloaded. However, the application itself is available for download and off-line use by court staff, Magistrates, Judges, and the general public via the OCS website.

several options available, depending on the circumstances of the case.[57] Fourteen options are available and, depending on the option selected, a notice is generated and possibly additional processes are initiated. The options include:

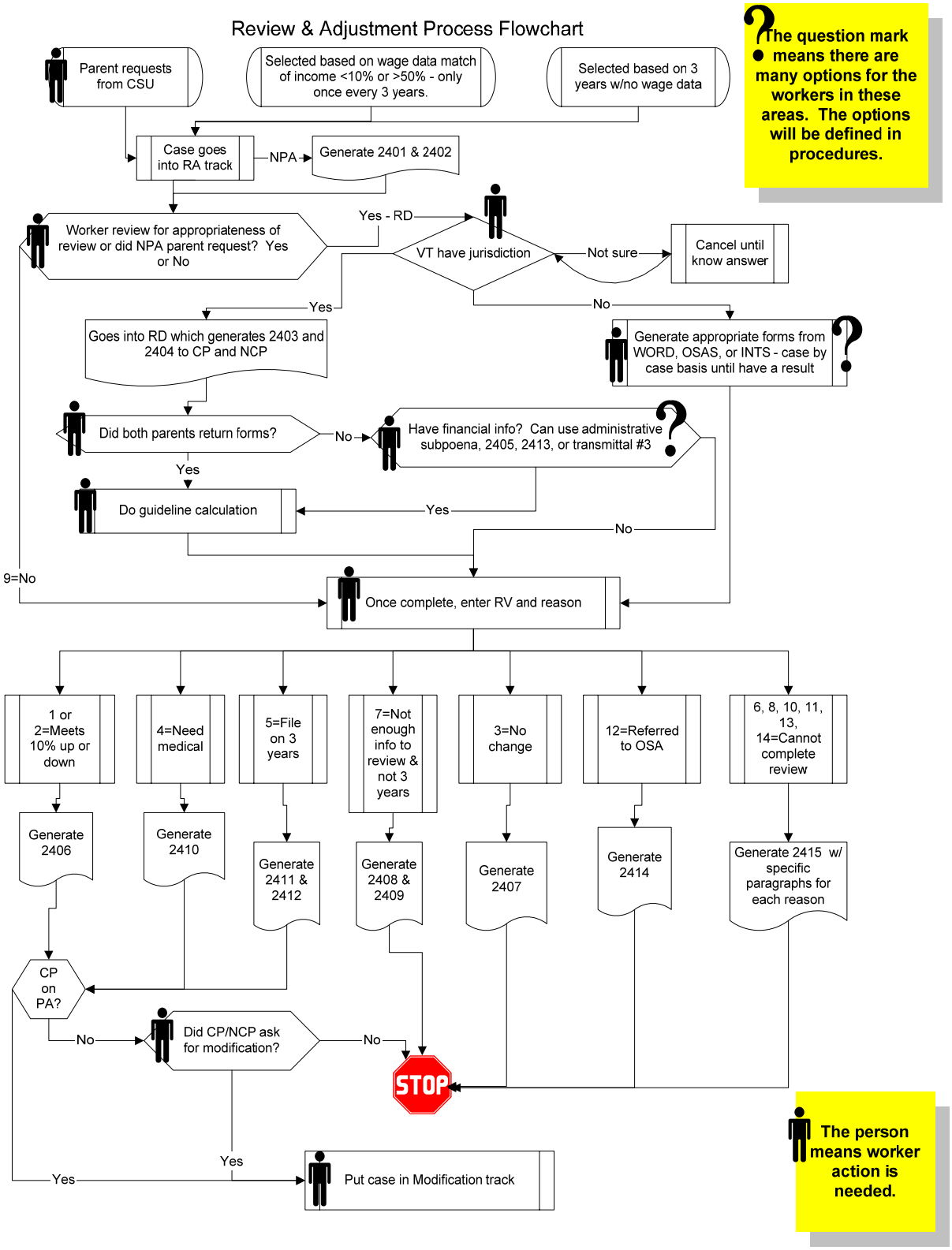
1. Meets change upward
2. Meets change downward
3. Does not meet change
4. Needs medical support addressed
5. Can file based on 3 years
6. Lack of jurisdiction
7. Not 3 years since the last Modification
8. NPA Requestor non-reply
9. No NPA request
10. Good cause for no review
11. Lack of PR & R (Parental Rights & Responsibilities)
12. Referred to OSA (Other State Agency)
13. OSA non-response
14. Other

The worker may be required to take additional steps in order to proceed with non-public assistance cases. Vermont case law has established that OCS must obtain permission or approval from all non-TANF applicants prior to taking any action on a case; one or both parties must respond in the affirmative that they wish the case to be reviewed.

Finally, those cases that meet the requirements and warrant a modification of support are placed into the Modification track. Since all orders in Vermont are Judicial, the court must review the analysis and order a change in the support amount. As in the Review track process, caseworkers are alerted as the case works through the legal process.

[57] The ACCESS enhancement was designed to give workers more flexibility because child support cases are increasingly becoming more complex.

Process Flowchart



Automation Process

OCS issued an RFP for system enhancement and upgrade work. Prior to issuing the RFP, staff identified the baseline system requirements and determined that the work would be organized around three distinct "tasks."

> Task A focused on reworking the existing review and adjustment process, upgrading and updating the existing mainframe computer system ACCESS to automate case tracking and the necessary notices.
>
> Task B involved development of a web-based guidelines calculator to replace the existing DOS-based application.
>
> Task C required development of an enhanced interactive Employer website. Three separate design teams were assembled, one for each Task. Select staff participated in all three teams in order to keep continuity between the design efforts.

Automated Wage Matching and Adjustment Review – For Task A, OCS required the contractor to upgrade and enhance the existing system[58] to more fully automate the existing review and adjustment process. The process was semi-automated, having been tweaked during the several years prior to the issuance of the RFP. The contractor initially identified deliverables for each of the major tasks. There wasn't the requirement for capacity planning or architecture design since these design elements were already in place. Rather, the contractor was made primarily responsible for an integrated deliverable: design, test, program, and installation of a software application that more fully automated the review and adjustment process. OCS maintained responsibility for staff training and other implementation-related activities.

The Task A design team was composed of both contractor and State staff and included business and technical analysts, OCS caseworkers, supervisors, management and other OCS staff as well as paralegals, and other court staff. Using OCS-defined objectives and goals as initial design guides, the design plan focused on supporting the part of the review and adjustment process that was systematically followed by all of the local offices. The design team did not attempt to accommodate the particular process needs distinct to an individual court system. The design team was aided by a strong judicial proponent involved in the design project that advocated for uniformity among the offices regarding form and report use, formatting, etc.

To accommodate local tribunal needs, a team of representatives was assembled afterward to focus on adjustments. For example, some courts are more stringent in terms of the forms required to process a particular child support activity. The team examined the local need and determined the best format.

[58] ACCESS was developed in Natural programming language that incorporates a ADABAS database management system.

During the design phase, the vendor tested some design assumptions using real data. For example, the team utilized 4 quarters of real wage data to test that the system would select a case for review based on the income thresholds described earlier. OCS also conducted testing. For example, the automated notice generator was thoroughly tested using real case data in a test environment that mimicked the production environment. Other assessments were performed by knowledgeable OCS staff, whose historical process knowledge and experience helped the analysts to better understand time restrictions and other limiting factors placed on the overall process.

Training materials were developed primarily from a user perspective. The training coordinator who developed the training materials previously worked as a caseworker and understood the process and the value of the automation on the process. The coordinator also participated in the testing phase in order to gain first-hand knowledge of the enhanced system's capabilities. Training was provided the day the system went into production and was completed within a two-week period.[59]

Web-based Guidelines Calculator - Task B involved the redesign of the child support guidelines computer program that calculates child support obligations. In order to tie the appropriate amount of child support guideline to the Vermont ACCESS system, the guidelines application was redeveloped as a web-based program that can interface with ACCESS.

The design team included court staff (technical personnel and caseworkers), and OCS technical and program staff.

The Guidelines Calculator was developed using Visual Basic and utilizes Active Server pages.

Ease of use was an important design goal for the web-based Guidelines Calculator application. Other important design considerations required that the system: be a downloadable application that utilized a web browser; be relatively easy to use, with the ability to locally store and retrieve previous data and guideline calculations; and be able to facilitate upload and download of data and calculations to the ACCESS mainframe.

Some of the application's architecture features are as follows:

- The Guidelines Calculator application is downloadable (as a WinZip self-extracting file) and executable from the user's desktop. The application is locally stored.

[59] The team timed the training delivery to coincide with the module implementation date. OCS learned from a previous training experience involving PRWORA-based system enhancements that training would not be successful if conducted before workers had access to the enhancement. In the case of the PRWORA training, caseworkers received training months before getting access to the screens and forgot what they had learned.

- The OCS external web server provides point of program download and table updates. Program and Table updates are automatic and are initiated by the Guidelines program.
- Tables are stored in a single XML file, and are managed by a worker using a system maintenance program.
- OCS internal web server provides services for access to the mainframe (ACCESS) case data.
- ACCESS provides seed data to import into the guidelines calculator if the worker chooses. Only internal users with ACCESS logins have access to seed data; data access is facilitated by Entire X transactions.

Employer Website – Task C was funded as a way for OCS to enhance its relationship and communication with Vermont's employer population. In order to facilitate easier notification of existing modified child support obligations to employers and to speed up wage withholding requests, OCS developed an enhanced, user-friendly version of its existing employer website. The website enhancement facilitated secure, interactive communication and information sharing between OCS and employers. Prior to the redesign, OCS and employers communicated through paper correspondence, and data was entered into ACCESS by OCS data entry staff. The web-based enhancement automates much of that correspondence and communication. The design team included OCS technical and program staff as well as IV-A Medicaid staff.

Employer information such as demographics, FEIN and other related information is stored in ACCESS, and the enhanced website permits employers to update their information and subsequently update their information in ACCESS automatically. Functional features include:

- Registering an employee
- Maintaining an employer profile
- Allowing a log-in with ability to change passwords
- Identifying a primary contact and program contacts for the Employer[60]
- Allowing an employer to update demographic information
- Allowing an employer to define health coverage
- Registering an employer to receive online child support forms/notices
- Allowing an employer to view and submit forms online, including
    - Income Withholding Summary for Employers
    - Change in Wage Withholding

[60] The designated primary contact receives new 901 Employment Verification forms. Program contacts might include an Accounting / Billing department contact or a company Health Plan Administrator contact. The Primary and Program contact may be the same person.

- Reduction in Wage Withholding
- Increase in Wage Withholding
- Insurance Verification
- Employment Verification

At times, the employer may receive notices for employees no longer working for the company. In these cases, the employer can automatically report an employee termination via a form with case information filled in. The form is emailed to the OCS Employer Outreach staff and the termination recorded in ACCESS. The employer can also send notices regarding Worker Compensation (WC) benefits issued to an employee, facilitating quicker garnishment of WC benefits.

Employers are asked to provide health policy identification information such as policy number and carrier. The information is electronically transmitted to the state Medicaid system where a lookup function matches the employer-provided policy identification data with detailed policy information in the state Medicaid system. The detailed policy data provides caseworkers with knowledge about the kind of health benefits the dependent child may be eligible for.

The enhancement also enables OCS to send announcements and information via email directly to a company-designated contact. The email notifies the contact of pending notices to view on the website. Employers are required to confirm receipt and review of notices electronically. Copies of electronic notices and other official documents are archived in Computer Output to Laser Disk (COLD) storage using an imaging process.

OCS previewed the redesigned website with staff from a local Vermont organization and the Vermont Employer Association. The feedback that was received was overwhelmingly positive.

Challenges and Solutions

- Downward adjustments were a relatively new concept for caseworkers. Since there was potentially resistance to process a downward adjustment, system training included discussion of the downward adjustment policy and value in terms of encouraging the non-custodial parent to consistently make payments.
- Department of Employment and Training wage reports do not include wage data for the self-employed. OCS continues to look for ways to secure this type of data.

Lessons Learned and Recommendations

- When making enhancements to the legacy system, the process will benefit from devoting knowledgeable legacy system staff to the design team.

- The Review and Adjustment design process should include consideration of interstate cases.
- End-user testing should mimic a real world scenario as closely as possible. Testing should primarily involve caseworkers and other "process owners" who are responsible for the work. Supervisors and managers also need to actively participate in the testing phase.
- Create buy-in by explaining the realistic benefits of automation. Do not overstate the ability of the enhancement. Describe the value in terms of increased flexibility, greater workload distribution, consistency, etc.
- Training should be provided very close to the time that the system goes into live production. Waiting too long to implement a system after the training session will cause system users to forget what they learned because they do not have the opportunity to "practice."
- Use your Self-Assessment process to check your progress. In Vermont, our self-assessment revealed that our workers were not using the new automation correctly. While the design intended to offer more options for caseworkers, we discovered that workers were not using the correct codes, which resulted in delays for processing the case. Further, OCS identified the need for additional training for staff. In 2004, all workers received a second round of training, focusing on the use of notices as well as the correct use of codes. OCS is hopeful that the 2005 self-assessment will yield improved results in this category.
- Don't be afraid to re-train staff.
- Think like an auditor! In the process of gathering the statistics for this report, we realized that we were thinking like workers when we designed the system. While we built in great workflow and workload management tools, we neglected to build in reporting mechanisms. Have an eye toward indicators and data that you might need later, and build in the reporting mechanisms while you are designing the process and programming.

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E. Review and Adjustment Reference List

Reference	Description	Location
45 CFR 303.8 Review and adjustment of child support orders	Title 45, Public Welfare, Chapter III, Office of Child Support Enforcement, Part 303, Standards for Program Operations, Sec. 303.8	http://www.acf.hhs.gov/programs/cse/pubs/2003/cfr/compilation_federal_cse_regs_9-9-03.doc
Automated Systems for Child Support Enforcement: A Guide for States	PRWORA Certification Guide for State Systems, Revised for PRWORA, April 1999 - updated December 1999 - updated August 2000	http://www.acf.dhhs.gov/programs/cse/stsys/tab3a.htm
Review and Adjustment of Support Orders	Department of Health and Human Services, Office of Inspector General Report, March 1999, OEI-05-98-00100	http://oig.hhs.gov/oei/reports/oei-05-98-00100.pdf
OCSE AT-05-01	Interim Final Rule with Comment Period: Reasonable Quantitative Standards for Review and Adjustment of Child Support Orders	http://www.acf.hhs.gov/programs/cse/pol/AT/2005/at-05-01.htm
OCSE DCL-03-10	New Jersey's "Feasibility Study of Review and Adjustment Procedures for Medical Support"	http://www.acf.hhs.gov/programs/cse/pol/DCL/dcl-03-10.htm
OCSE DCL-02-09	Dissemination of Research Findings on Electronic Modification of Child Support Orders in Alaska	http://www.acf.hhs.gov/programs/cse/pol/DCL/dcl-02-09.htm
OCSE IM-01-09	Mobilization of Reservists for Military Operation Enduring Freedom -- Review and Adjustment	http://www.acf.hhs.gov/programs/cse/pol/IM/im-01-09.htm
Automated Cost-of-Living Adjustment of Child Support orders in Three States	Lewin Group and ECONorthwest, April 16 2001	http://www.acf.hhs.gov/programs/cse/pubs/reports/cola/index.html